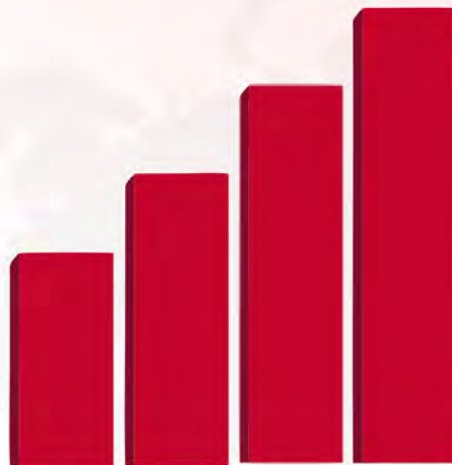




2021 ANNUAL REPORT & ACCOUNTS



Insurance, our business.



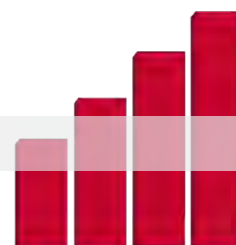
SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES



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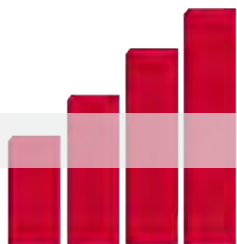


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

INTRODUCTION



SUNU Assurances Nigeria Plc's Financial statements comply with the applicable legal requirements of the Companies and Allied Matters Act 2020 and Financial Reporting Council Act 2011, Insurance act 2003 and NAICOM circulars regarding financial statements and comprises Consolidated and Separate Financial Statements for the year ended 31 December, 2021. The consolidated financial statements have been prepared in compliance with IAS 1, 'Presentation of financial statements' issued by the International Accounting Standards Board.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTICE OF THE 35TH ANNUAL GENERAL MEETING OF MEMBERS OF SUNU ASSURANCES NIGERIA PLC



NOTICE IS HEREBY GIVEN that the thirty-fifth (35th) Annual General Meeting (AGM) of members of SUNU Assurances Nigeria Plc (the "Company") would hold by Proxy on Friday, 6th May, 2022 by 10:00 a.m. at Plot 1196, Bishop Oluwole Street, Off Akin Adesola Street, Victoria Island, Lagos State for the purpose of considering and, if deemed fit, to pass and approve, with or without modification, the ordinary and special resolutions set out hereunder in the manner required by the Company's Memorandum and Articles of Association (MEMART), the Companies and Allied Matters Act, 2020 (CAMA) and the Listings Rules of Nigerian Exchange Limited.

ORDINARY BUSINESS:

1. To lay before members, the consolidated Audited Financial Statements of the Company and its subsidiaries as approved by the board of directors of the Company (the Board) together with the reports of the directors, audit committee and external auditors of the Company for the year ended 31st December, 2021.
2. Re-election, by way of separate resolutions of the following persons, who would retire as non-executive directors by rotation at the AGM in accordance with clause 92 of the Company's MEMART:
 - a. Mr. Mohamed Bah
 - b. Mr. Karim- Franck Dione
 - c. Miss. Taizir Ajala
3. Ratification of the appointment of Non-Executive Directors.
4. Appointment of the firm of SIAO Partners as the Company's external auditors for 2022 financial year.
5. Authority to the Board to fix the remuneration of the external auditors for 2022 financial year.
6. Election of members of the Company's audit committee, to hold office until the end of the next AGM.
7. Disclosure of the remuneration of Managers of the Company

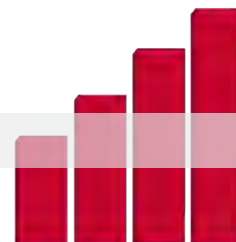
SPECIAL BUSINESS:

8. Approval of the remuneration of directors of the Company for 2022 financial year.
9. To consider and if thought fit, pass the following as special resolutions:
 - I. That following the recommendations of the Board of Directors in compliance with the requirements of Section 124 of the Companies and Allied Matters Act (CAMA) 2020 and regulation 13 of the Companies Regulations 2021, the company be and is hereby authorized to take all necessary steps to comply with this requirement as it relates to unissued share forming part of the Share capital including cancellation of the unissued Shares of the Company:
 - II. That the Company be and is hereby authorised to take all steps necessary to ensure that the Memorandum and Articles of Association of the Company are altered to comply with Resolution 9(i) above, including replacing the provision stating the authorised share capital with the issued share capital;
 - III. That the Company be and is hereby authorised to appoint such professional parties, consultants and advisers as may be required to comply with the resolution.
 - IV. That the Board of Directors of the Company be and is hereby authorised to do all such things and take all such actions as are required to give effect to the above resolutions in compliance with extant laws and regulations.

Notes

1. PROXIES

In view of the Government directive on physical distancing and the restriction on the maximum number of people in every gathering due to the COVID-19 pandemic, attendance shall only be by proxy. A member entitled to attend and vote at the AGM is advised to appoint any proxy listed below to attend and vote on his/her behalf:





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES



- | | |
|-------------------------------|-----------------------|
| a. Mr. Kyari Abba Bukar | Chairman |
| b. Mr. Samuel Ogbodu | Managing Director/CEO |
| c. Chief Matthew Akinlade | Shareholder |
| d. Mr. Nonah Awoh | Shareholder |
| e. Mrs Oludewa Edodo - Thorpe | Shareholder |

To be valid, a proxy form must be completed and duly stamped by the Commissioner of Stamp Duties and emailed to info@crescentregistrars.com or deposited at the registered office of the Company's Registrar, **Crescent Registrars Limited** at 23, Olusoji Idowu Street, Ilupeju, Lagos, Nigeria not less than 48 hours before the time of holding the meeting.

All instruments of proxy shall be at the Company's expense.

2. CLOSURE OF REGISTER OF MEMBERS/TRANSFER BOOKS

The register of members and transfer books of the company would be closed from **Friday, 29th April to Friday, 5th May, 2022** (both dates inclusive) to enable the Registrars to make necessary preparations for the AGM.

3. AUDIT COMMITTEE

In accordance with the provisions of the Companies and Allied Matters Act, 2020 any member may nominate another member for appointment to the audit committee. Such nomination shall be in writing and delivered to the Company Secretary at least 21 days before the AGM.

Nomination shall be in line with the requirements of the Nigerian Code of Corporate Governance 2018.

4. RE-ELECTION OF DIRECTORS

In accordance with the provisions of the Company's MEMART, Mr. Mohamed Bah, Mr. Karim-Franck Dione and Miss. Taizir Ajala would retire by rotation as non-executive directors and being eligible have indicated their intention to be re-elected.

5. MEMBERS' RIGHT TO ASK QUESTIONS

Members reserve the right to ask questions at the AGM. Members may also submit their questions prior to the meeting in writing to the Company, in line with Rule 19.12© of the Listing Rules of Nigerian Exchange Limited Such questions must be addressed to the Company Secretary by electronic mail at nigeria@sunu-group.com no later than 7 days before the date of the AGM.

6. BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of all directors including those standing for re-election are provided in the annual report and on the company's website.

7. LIVE STREAMING OF AGM

To enable Shareholders and other Stakeholders who will not be attending physically follow the proceedings, the AGM will be streamed live. The link for the AGM live streaming will be made available on the Company's website at www.sunu-group.com.

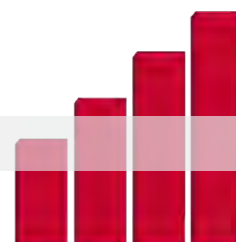
8. WEBSITE

Copy of this notice and other information relating to the meeting can be found on the Company's website www.sunu-group.com.

Dated this Monday, 11th April, 2022

BY ORDER OF THE BOARD

TAIWO OLUBUNMI KUKU
COMPANY SECRETARY
FRC/2013/NBA/00000002571





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE PROFILE



SUNU Assurances Nigeria Plc., a member of SUNU Group has the vision to be a leading African Insurance Company. It is on a mission to be an insurance company recognized for excellent client services, using cutting edge technology, motivated workforce and good business ethics to meet stakeholders' expectations. This is being driven by innovative service delivery, products development, cost management, customers experience and ensuring proper balance in all dealings.

OUR VISION

Our vision is to be a leading African insurance company.

OUR MISSION

The Mission is to be an insurance company recognised for excellent client services, using cutting edge technology, motivated workforce and good business ethics to meet stakeholders' expectations.

VALUES

Our core values are Caring, Learning, Integrity, Creativity, Excellent Customer Service and Promptness.

HISTORY

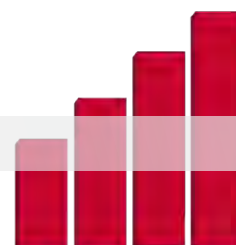
SUNU Assurances Nigeria Plc was incorporated as Equity Assurance Plc on December 13, 1984 and was licensed to underwrite all classes of general business. The company operates with a recently increased authorized share capital and shareholders fund. The company is a corporate member of the West African Insurance Company Association (WAICA) and the Nigeria Insurers' Association (NIA), the official umbrella of registered insurance companies in Nigeria, as well as The Africa Insurance Organisation (AIO).

The company changed its name from Equity Assurance Plc to SUNU Assurances Nigeria Plc with due approval from the shareholders and its regulator, National Insurance Commission (NAICOM). The approval was dated 29th March, 2018 and a new license was issued by NAICOM.

The name change was necessitated as a result of SUNU Group's (a foremost Pan -African Insurance Group), acquisition of majority stake in Equity Assurance Plc., With operations in 15 African countries and 25 office locations spanning West and Central Africa, this acquisition positions SUNU Assurances Nigeria Plc., to leverage SUNU Group's vast network of knowledge, capital, financial strength and technical resources in our quest to differentiate our offerings and service standards in the Nigerian marketplace.

In addition to strengthening the company's balance sheet, this strategic investment and name change also provides SUNU Assurances Nigeria Plc. with critical organizational capabilities & competencies which is being harnessed to create and deliver value to our esteemed brokers and clients.

This new name reflects its pan African presence as a full -fledged member of the SUNU Group. The company continues to operate in its current structure, and other than the name change, there is no change in management as we keep providing tailored made products and better service on which SUNU Group has built its reputation a cross Africa.



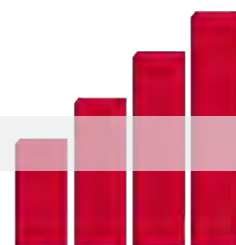


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

RESULTS AT A GLANCE



	Group 2021 N'000	Group 2020 N'000	Variance %	Company 2021 N'000	Company 2020 N'000	Variance %
Gross premium written	6,146,093	4,208,976	46.0	4,871,144	3,270,464	49
Net premium income	4,462,357	3,089,847	44	3,187,408	2,157,346	48
Profit/(Loss) before taxation	488,162	313,411	56	324,760	215,225	51
Cash and cash equivalents	3,108,858	3,369,342	(8)	2,890,949	3,121,509	(7)
Property, plant and equipment	3,930,933	860,824	357	3,429,197	362,811	845
Financial assets	308,991	2,888,642	(89)	251,019	2,838,553	(91)
Statutory deposit	315,000	315,000	-	315,000	315,000	-
Contingency reserves	1,258,875	1,112,741	13	1,258,875	1,112,741	13
Deposit for shares	-	3,010,800	(100)	-	3,010,800	-
Shareholders funds	7,065,893	3,960,764	78	6,722,327	3,660,595	84
PER 50k SHARE DATA:						
Basic profit/(loss) per share (Kobo)	4.02	7.90	(49)	2.18	6.47	(66)
Diluted profit/(loss) per share (Kobo)	4.02	7.90	(49)	2.18	6.47	(66)
Net assets per share (Kobo)	126	150	(16)	116	131	(12)
Stock Exchange Quotation as at 31 December (Kobo)	100	100	-	100	100	-





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE INFORMATION BOARD OF DIRECTORS



Mr. Kyari Bukar	Chairman
Mr. Samuel Ogbodu	MD/CEO
Ms. Taizir Ajala	Vice Chairman
Mr. Philippe Ayivor	Independent Directors
Mr. Ibikunle Balogun	Resigned wef 31st July, 2021 as Non-Executive Director
Mr. Mohammed Bah	Non-Executive Director
Mr. Karim-Franck Dione	Non-Executive Director
Mr. Olanrewaju Ogunbanjo	Resigned wef 28th April 2021 as Non-Executive Director
Mr. Adeleke Hassan	ED, Technical & Operations
Mrs. Olajumoke Bakare	Independent Non-Executive Director Appointed wef 23rd December, 2021
Mrs. Abubakar Aisha	Independent Non-Executive Director Appointed wef 23rd December, 2021

COMPANY SECRETARY

Taiwo Kuku
Plot 1196, Bishop Oluwole Street,
Victoria Island, Lagos

REGISTERED OFFICE

SUNU Place
Plot 1196, Bishop Oluwole Street,
Victoria Island, Lagos

RC No: 65443

FRC Registration no: FRC/2012/0000000000408

REGISTRARS AND TRANSFER OFFICE

Crescent Registrars Limited (formerly EDC Registrars Limited)
23 Olusoji Idowu Street
Ilupeju Lagos
Email: penwe@crescentregistrars.com
Phone No. 08037194001

ACTUARIES

Logic Professional Services
4th floor, Oshopey Plaza
17/19 Allen Avenue
Ikeja, Lagos, Nigeria

EXTERNAL AUDITORS

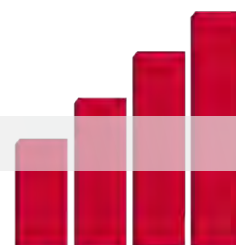
SIAO Partners
18b Olu Holloway Road Ikoyi,
Lagos, Nigeria.

SOLICITORS

TEMPLARS
5th Floor, The Octagon, 13AJ Marinho Drive, Victoria Island
Lagos, Nigeria.

RE-INSURERS

African Reinsurance Corporation	ZEP- Reinsurance
Waica Reinsurance Corporation	AVENI Reinsurance
Continental Reinsurance Plc	CICA- Reinsurance
Nigerian Reinsurance Corporation	NCA- Reinsurance
FBS Reinsurance	





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE INFORMATION (CONT'D)



BANKERS

Access Bank Plc
Ecobank Nigeria Limited
First Bank of Nigeria Limited
First City Monument Bank
Fidelity Bank Plc
Guaranty Trust Bank Plc
Heritage Bank Plc
Polaris Bank Plc
Sterling Bank Plc
Union Bank of Nigeria Plc
United Bank for Africa Plc
Unity Bank Plc
Wema Bank Plc
Zenith Bank Plc

HEAD OFFICE AND BRANCHES

Head Office:

SUNU Place
Plot 1196 Bishop Oluwole Street Victoria Island, Lagos.
Phone No. +234 (0) 1 280 2012

Abuja Office:

66 Ladoke Akintola Street Garki, Abuja
Phone No. +234 (0) 809 760 5228

Ibadan Office:

40 MKO Abiola Way, Opposite Ring Road,
Ibadan, Oyo State
Phone No. +234 (0) 703 449 2099

Warri Office:

Block 3, Edewor Shopping Complex Effurun,
Warri, Delta State
Phone No. +234 (0) 803 744 6203

Kaduna Office:

NIDB House 18 Waff Road Kaduna State
Phone No. +234 (0) 802 679 5730

Kano Office:

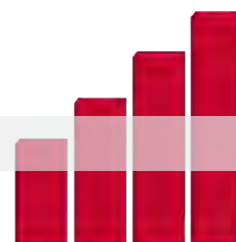
1, Nassarawa Hospital Road,
Suite AFF02 Kano State
Phone No. +234 (0) 802 856 6053

Rivers Office:

209B, 2nd floor, Aba/stadium link Road,
Road, Portharcourt, River state
Phone No. +234 (0) 808 873 6373

Onitsha Office:

41 New Market Road,
Onitsha Anambra State
Phone No. +234 (0) 803 543 6259





CHAIRMAN'S STATEMENT



Distinguished Shareholders, Members of the Board of Directors, regulatory officials, gentlemen of the press, Ladies and Gentlemen. It gives me immense pleasure to welcome you to the 35th Annual General Meeting of SUNU Assurances Nigeria Plc (the company) for the year ended 31st December, 2021. Before presenting our Company's performance for the period, permit me to briefly review some notable developments in the global and local economy.

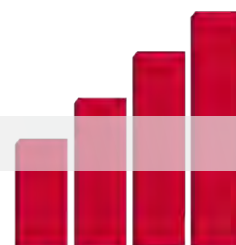
Global Economic Developments

The performance of the global economy in 2021 fell below the initial forecast but with a considerable improvements over the 2020 outcome which connotes evidence that the global economy was recovering out of the sluggishness associated with the pandemic. (Communique No. 140 of the meeting of the Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) on 24th and 25th January 2022). Despite, the risks posed by the resurgence of the third wave of COVID-19 pandemic and the emergence of the deadlier Delta variant, the recovery gained momentum, amid unrelenting policy interventions and greater strides in COVID-19 vaccine administration, with increasing consumer spending, upswing in investments and soaring world merchandise trade, above pre-pandemic levels. This reflects the resilience of economic agents in the face of new strains of the virus and rising infection rates.

Recovery in Advanced Economies was sustained in the third quarter of 2021, albeit at a slower pace, as the emergence of the more transmissible Delta variant slowed down the expected full return to normalcy by the end of 2021. Notably, risks to the economic prospects of several Advanced Economies heightened on account of the prolonged disruption to global supply chains, which followed the outbreak of the third wave of the pandemic. In the Emerging Market and Developing Economies (EMDEs), poor access to vaccines and limited policy support meant that this group of economies have been harder hit by the Covid-19 health crisis and have continued to dampen their growth prospects.

On price development, Inflation in most Advanced Economies remained high and unlikely to abate in the short to medium term. This was driven by the persistence of supply side disruptions and pent-up demand associated with economic recovery. In the EMDEs, inflation remained high due to a combination of persisting exchange rate pressures and supply bottlenecks associated with the lockdown restrictions.

The Global financial markets data showed significant sell-off, as investors continued to rebalance their portfolios with the shift from assets such as gold and emerging market securities to securities of Advanced Economies suggesting market response to the impending interest rate hike.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

Thus, global financial conditions are expected to tighten as risk averse portfolio investors reassign their portfolios from perceived riskier emerging market securities, to less risky advanced economy securities with the expectation of improved yields.



Domestic Economic Developments

Nigeria's economy grew by 3.4% year-on-year in 2021 with an estimated value of N72.39 trillion in real terms, representing an uptick from the 1.92% contraction recorded in the previous year. Nairametrics considered this, a fastest GDP growth rate recorded in Nigeria in 7 years. The last time Nigeria's economy grew beyond 3.4% was in 2014, when the real GDP expanded by 6.22% year-on-year.

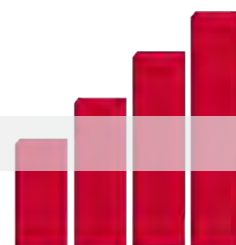
According to the 2021 GDP report of the National Bureau of Statistics, the Real Growth rate of 3.98%(year-on-year) in real terms in the fourth quarter of 2021, showed a sustained positive growth for the fifth quarter since the recession witnessed in 2020 when output contracted by -6.10% and -3.62% in Q2 and Q3 of 2020 under the Covid pandemic. The fourth quarter growth indicates a steady economic recovery accounting for the annual growth of 3.40% in 2021.

The MPC upheld with satisfaction that the economy is on a path of positive growth, given the impressive performance in the third quarter of 2021 when a growth rate of 4.03% year-on-year was reported and continuing rebound in economic activities as there was significant improvement in the Manufacturing Purchasing Managers' Index (PMI), which rose to 52.0 index points in December 2021, compared with 50.8 index points in November 2021 reflecting the continued economic recovery. This expansion was driven largely by increasing business activities in the economy, leading to increase in new orders and uptrend in employment and production levels.

The headline inflation (year-on-year), according to the MPC, slightly increased to 15.63 per cent in December 2021 from 15.40 per cent in November following seven consecutive months of decline. The unexpected increase was attributed to both the food and core components, which rose to 17.37 and 13.87 per cent in December 2021 from 17.21 and 13.85 per cent in November, respectively. The Committee, however, expressed confidence in the Bank's sustained intervention programmes, noting that inflation will continue to abate as food supply improves.

Money market rates fluctuated within and above the asymmetric corridor, reflecting prevailing liquidity conditions in the banking system. The monthly weighted average Open Buyback (OBB) rate increased to 12.75 per cent in December 2021 from 10.61 per cent in November 2021. The increase in the Open Buyback (OBB) rate reflected the tight liquidity conditions in the banking system.

Though the sustained positive trajectory in the equity market was slower compared to that of 2020 when it recorded a 50.03% growth over the position on 31 December 2019, but it surpassed the nation's economy GDP Growth of 3.4% by 2.67%. The equities market All-Share Index grew by 6.07% year-to-year from 40,270.72 in December 2020 to 42,716.44 on December 31, 2021. while the value of the investments on the stock market, gained over N1.24 trillion Year-to-Date (YtD) to close the year 2021 at N22.3 trillion from N21.1 trillion at the close of trading in the year 2020. The decline in the 2020 growth rate of 50.03% to 6.07% in 2021 was due to the rising yield on fixed income securities, after a continued active momentum in January 2021 with ASI growth to 5.93%. By the end of first half 2021, the equities have decelerated with ASI and equity market capitalization declined to 37,907.28 and 19.76 trillion at the end of first half 2021.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

The MPC noted positive performance in the equities market with the All-Share Index (ASI) and Market Capitalization (MC) increasing by 1.61 and 1.63 per cent on December 31, 2021, from the positions on October 29, 2021, respectively. This positive performance reflected improved corporate earnings as investors participation increased in the market.



Macroeconomic Outlook

The broad outlook for the recovery in the global economies is clouded with uncertainty such as the resurgence of the third wave of COVID-19 pandemic, driven by new and mutating strains of the coronavirus; persisting supply bottlenecks; high and rising inflationary pressures; and dwindling monetary and fiscal stimuli as well as the aftermath of the Russian's invasion of Ukraine that is associated with economics sanctions and adverse movements in global oil prices and financial markets. The output growth, was however expected to be better in 2022 than 3.1% forecasted for 2021 by CBN.

Available forecasts for key macroeconomic variables for the Nigerian economy, indicated expected rebound in output growth for most of 2022, sustained by ongoing broad monetary and fiscal stimuli. Accordingly, the Nigerian economy is forecast to grow in 2022 by 2.86 per cent (CBN), 4.20 per cent (FGN) and 2.76 per cent (IMF).

However, underlying uncertainties in the global oil market brought by the Russian-Ukraine war, current uptick in the second wave COVID-19 infection rate, the dwindling proceeds from oil sale, despite rising crude oil prices, ongoing debate around the removal of fuel subsidy, impact of insecurity in farming communities on food inflation may pose some downside risks to this forecast.

The Insurance Sector

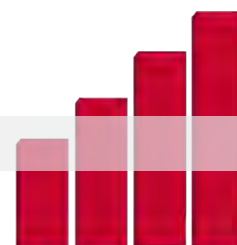
The year under review was one of the few years in the history of the insurance business in Nigeria that was received with enthusiasm and expectations because it was expected to mark the end of Covid19 pandemic and its attendant business disruptions. In fact, most stakeholders tagged it the year of "recovery and rebuilding for the insurance companies". Despite rising claims, the insurance industry came out strong and resilient.

However, the Delta and Omicron variants of the pandemic compounded the problem leading Nigerians into the fourth wave of the pandemic as declared by Nigeria Centre for Disease Control (NCNC).

Earlier in the year, NAICOM released a 3 – year strategic plan on what to expect in 2021 and beyond. The plan which aims to transform the industry within the period of execution has its foundation on five (5) pillars which are; entrenching effective and efficient service delivery, ensuring safe, sound and stable insurance sector, adequately protecting policyholders and public interest, improving trust and confidence in the sector and encouraging innovation and promotion of insurance market development.

This plan emanated as a result of unexpected events such as Covid19 pandemic, EndSARS protest, kidnappings, communal conflicts which occurred in recent times. These events altered the modus operandi of the industry's business conduct, hence the corresponding regulatory response. The insurance sector requires more urgent recovery post Covid19 pandemic to support the recovery and restoration of other businesses.

The insurance market grew to 548 billion NGN in 2021 by 8.01% year on year, from 508 billion NGN in 2020. This growth represented an increase of 21.93% points when compared with -13.92% contraction recorded in 2020. In nominal terms, according to the GDP report, the Q4 2021 performance of the market indicated a growth of 13.61% year-on-year as against a contraction of -12.05% (year-on-year) in Q4 2020. The market recorded a 3.49% quarter-on-quarter growth between Quarter 3 and Quarter 4, following consecutive declines of 23.93% and 6.32% at the end of Quarter 3 and Quarter 2 respectively.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES



With the industry's gradual rebound from COVID pandemic, the EndSARS protest posed a setback to the profitability of the insurers and reinsurers in 2021. According to Nigerian Insurers Association (NIA) statistics, the total claims arising from the destruction of life and properties during the protest was put at N26 billion. A total claims lodgment which affected the Company was N10 billion NGN while the amount adjusted at 4 billion NGN while SUNU's share of the adjusted claims was ₦1.14 billion.

While insurance penetration level (measured as insurance gross premium written as a proportion of GDP) still remains an issue for the industry, there is still a significant potential for further significant and sustainable growth in the market.

In September 2021, NAICOM launched its online portal in line with its digitalization agenda. This will enhance data collection and bridge the information gap that has characterized the sector in the past.

Business Performance

Gross Written Premium for the Group grew from N4.2 billion in 2020 to N6.1 billion in 2021. This represented a growth of N1.9 billion in value and 46% in percentage terms due to improved financial stability and sustained business relationship in the insurance market.

The total gross claims paid during 2021 increased to N2.6 billion from N1.7 billion in 2020 by 50% largely due to claims resulted from EndSARS protest.

The net claims expenses for the Group increased from N752 million in 2020 by 81% to N1.4 billion due to huge EndSARS claims while the underwriting profit grew from N1.6 billion in 2020 by 34% to N2.2 billion in 2021. This was due to 44.2% increase in underwriting income from N3.2 billion in 2020 to N4.7 billion in 2021. The operating expenses for 2021 amounted to N2.1 billion which represented an increase of 19% from N1.8 billion in 2020. The investment income for the year amounted to N247 million, a decrease of 28% from 2020 figure of N346 million. This was attributed to the decline in the investible funds which was a fall out of increased cash outflows largely related to claims payments.

The Group made a profit before taxation of N488 million in 2021 which represented a 56% growth when compared to N313 million realised in 2020.

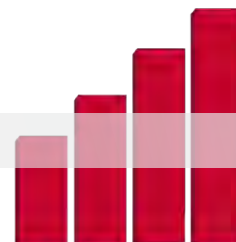
Recapitalization

The House of Representatives mandated NAICOM to suspend the deadlines for the capitalization until the pending Insurance Bill is passed. Consequently, NAICOM by a letter dated 30 December, 2020 informed the Nigerian Insurers Association of the suspension of the recapitalization plans stating that the matter is subjudice.

However, our company proceeded with its recapitalization plans by obtaining all regulatory approvals required for the private placement exercise. The issuance of 3,010,800,000 ordinary shares at N 1 per share by way of private placement to SUNU Participations Holdings SA and SUNU Assurances Vie Cote Divoire SA was completed in February 2021 having secured the requisite regulatory approvals from NAICOM, SEC, NGX, CSCS, CAC, and FRCN. I want to assure all our Shareholders and other Stakeholders that your company's fundamentals is growing stronger and steadily.

Governance and Board Changes

In 2021, NAICOM released the Market Conduct and Business Guidelines to guide the operations of Insurance Companies in Nigeria as well as a Corporate Governance Code which became effective on the 1st of June, 2021. The various regulatory sector codes on Corporate Governance reflect a broader view on governance and allows sector to understand the particular circumstances of the company and how it applies the code. The Board of Directors during the year under review approved the appointment of DCSL Corporate Services Limited to undertake the Board and Corporate Governance Evaluation of the company for the year ended 31st December, 2021. The final report would be presented to shareholders in the course of the meeting for approval.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES



Following the recommendations of the Board evaluation Consultant, DCSL Corporate Services Limited, the Board re-constituted its standing committees membership to align with the provisions of the Nigerian Code of Corporate Governance 2018 and their respective Charters were amended to incorporate additional responsibilities.

In compliance with the provision of the NAICOM Corporate Governance Guidelines and the various sectorial Guidelines issued by the regulatory authorities. Messrs Olanrewaju Ogunbanjo and Ibikunle Balogun retired as directors of SUNU Assurances Nigeria Plc on 28th April and 31st July 2021 respectively having completed their maximum tenures as Non-Executive Directors of the Company.

I would like to express my utmost gratitude to these two directors for their many years of exemplary service and contribution to our Group.

The Board at its meeting in December 2021 approved the appointments of 2 new Non-Executive Directors; Mrs. Olajumoke Bakare and Mrs. Aisha Abubakar subject to regulatory approvals. The Board believed that these appointments will enable the company maintain a balance of skills, knowledge and experience on the Board. I know that through their vast domestic and international experience, these directors will contribute significant value to the company.

We will continue our process to refresh the Board's membership in order to provide succession for key Directors and Committees' roles and gender balance.

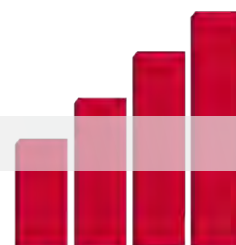
The directors who are retiring by rotation at the AGM in terms of clause 92 of the company's MEMART are Mr. Mohamed Bah, Mr. Karim-Franck Dione and Ms. Taizir Ajala. These directors, being eligible, have offered themselves for re-election.

The biographical information of the directors for re-election are included in the Annual Report which have been dispatched to Shareholders.

Appreciation and Conclusion

I would like to thank my colleagues on the Board for their relentless efforts to the continued growth of the company. I would also like to thank the Management and employees for their contributions during the 2021 financial year and finally, our Shareholders for your continued support and encouragement over the years.

God Bless you all.



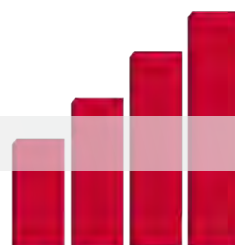


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

BOARD OF DIRECTORS



1. MR. KYARI ABBA BUKAR
CHAIRMAN BOARD OF DIRECTORS (INDEPENDENT NON-EXECUTIVE)
2. MR. SAMUEL OGHENEBRUME OGBODU
MANAGING DIRECTOR/CEO
3. MR. KARIM-FRANCK DIONE
(NON EXECUTIVE DIRECTOR)
4. MRS. AISHA ABUBAKAR
(INDEPENDENT NON-EXECUTIVE)
5. MRS. OLAJUMOKE BAKARE
(INDEPENDENT NON-EXECUTIVE)
6. MR. MOHAMED BAH
(NON-EXECUTIVE)
7. MR. PHILIPPE E. AYIVOR
(NON-EXECUTIVE)
8. MS. TAIZIR AJALA
(INDEPENDENT NON-EXECUTIVE)
9. MR. ADELEKE EMMANUEL HASSAN
(EXECUTIVE)



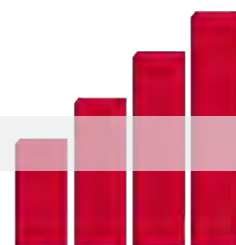


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

MANAGEMENT TEAM



1. SAMUEL OGHENEBRUME OGBODU
MANAGING DIRECTOR/CEO
2. ADELEKE HASSAN
EXECUTIVE DIRECTOR, TECHNICAL & OPERATION
3. THEOPHILUS IYILE
ACTING CHIEF FINANCE OFFICER
4. TAIWO KUKU
COMPANY SECRETARY, HEAD LEGAL
5. ELIE OGOUNIGNI
GM, RISK MANAGEMENT & FINANCIAL CONTROL
6. JAPARI MODDIBBO YUSUF
HEAD CORPORATE SERVICES
7. ROBERT EWUZIE
HEAD, BUSINESS DEVELOPMENT
8. MATHIEU N'KATTA
CHIEF OPERATING OFFICER





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



The directors accept responsibility for the preparation of the annual consolidated financial statements that give a true and fair view of the statement of financial position of the Group and the Company at the end of the year and of its profit or loss and other comprehensive income in the manner required by the Companies and Allied Matters Act, 2020 and the Insurance Act of Nigeria, 2003. The responsibilities include ensuring that the Group and the Company:

(i) keep proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and the Company and comply with the requirements of the Companies and Allied Matters Act, 2020 and the Insurance Act of Nigeria, 2003.

(ii) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities

(iii) prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates, that are consistently applied.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in compliance with:

(a) International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)

(b) the requirements of the Insurance Act, 2003

(c) relevant guidelines and circulars issued by the National Insurance Commission (NAICOM); and

(d) the requirements of the Companies and Allied Matters Act, 2020

(e) the requirements of the Financial Reporting Council (FRC)

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial position of the Group and the Company and of the profit or loss and other comprehensive income for the year. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as adequate systems of internal financial control.

The Directors have made assessment of the Group's and Company's ability to continue as a going concern and have no reason to believe that the Group and Company will not remain a going concern in the year ahead.

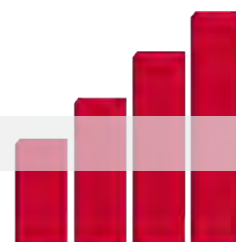
SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY

Mr. Kyari Bukar

FRC/2013/IODN/00000002050

Mr. Samuel Ogbodu

FRC/2013/CIIN/00000002970





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021



35TH ANNUAL REPORT

The Directors are pleased to submit their 35th annual report together with the audited Consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2021.

LEGAL FORM

SUNU Assurances Nigeria Plc (Formerly Equity Assurance Plc) was incorporated on 13th December, 1984 and has one wholly owned subsidiary and one partly owned subsidiary namely : EA Capital Management Limited (wholly owned subsidiary) with SUNU Health Nigeria Limited (formerly Managed Healthcare Services Limited) (partly owned subsidiary). The Company has a concession of 25years for the management of Equity Resort Hotel, Ijebu- Ode (formerly Gateway Hotel).

EA Capital Management Limited was incorporated in Nigeria on 29 October 2008 as a private limited liability Company to carry on the business of finance leases to both individual and corporate clients. SUNU Health Nigeria Limited (Managed Healthcare Services Limited) was incorporated on 11 December, 1997 to carry on the business of health management and it is a nationally licenced Health Management Organization (HMO).

PRINCIPAL ACTIVITIES

The principal activity of the Group is provision of non-life insurance business, health management and financial services to corporate and retail customers in Nigeria.

REVIEW OF BUSINESS AND FUTURE PROSPECTS

RESULT FOR THE YEAR

	Group 2021	Group 2020	Company 2021	Company 2020
	N'000	N'000	N'000	N'000
Profit/(loss) for the year before tax	488,162	313,411	324,760	215,225
Tax expense	(254,612)	(75,473)	(197,986)	(34,045)
Profit/(loss) for the year after tax	233,550	237,938	126,775	181,180

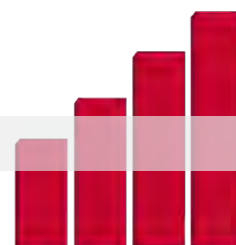
DIRECTORS

Beneficial interests

The interests of the Directors of Sunu Assurances Nigeria Plc in the issued share capital of the Company as recorded in the Register of Members as at 31st December, 2021 and as notified by them for the purpose of Section 301 and 302 of the Companies and Allied Matters Act, 2020 is as follows:

Ordinary shares of 50k each as at 31st December, 2021

Directors	Direct	Indirect	Total
Mr Kyari Bukar	-	-	-
Ms. Taizir Ajala	-	-	-
Mr. Philippe Ayivor	-	-	-
Mr. Ibikunle Balogun (Representing KYT Investments Limited) Resigned wef 31st July, 2021	82,100,000	28,968,346	111,068,346
Mr. Mohammed Bah(Representing Sunu Cote Divoire)	-	1,878,509,684	1,878,509,684
Mr Karim-Franck Dione	-	2,959,907,814	2,959,907,814
Mr Leke Hassan (ED Technical & Resigned wef 28th April 2021	6,000	-	6,000
Mr. Olanrewaju Ogunbanjo (Representing Life Care Ventures Resigned wef 28th April 2021	63,333	19,710,203	19,773,537
Mr Samuel Ogbodu (MD/CEO)	18,360	-	18,360
	82,187,693	4,887,096,047	4,969,283,741





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D) BENEFICIAL OWNERSHIP



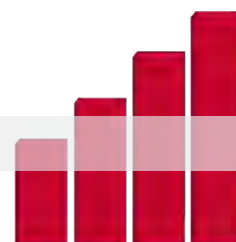
Share Range Analysis:

Range	No. of Holders	Units	%
1 - 1,000	18,167	7,532,326	0.13
1,001 - 5,000	13,141	34,483,101	0.59
5,001 - 10,000	4,565	35,701,530	0.61
10,001 - 50,000	4,868	108,606,287	1.87
50,001 - 100,000	531	39,858,205	0.69
100,001 - 500,000	396	80,999,536	1.39
500,001 - 1,000,000	43	31,530,001	0.54
1,000,001 - 5,000,000	36	85,276,246	1.47
5,000,001 - 10,000,000	6	44,240,195	0.76
10,000,001 - 50,000,000	10	219,050,196	3.77
50,000,001 - 100,000,000	1	82,000,000	1.41
100,000,001 - 500,000,000	1	203,104,879	3.50
1,000,000,001 - 5,000,000,000	2	4,838,417,498	83.27
5,000,000,001 - 10,000,000,000			0.00
TOTAL	41,767	5,810,800,000	100

The following shareholders held more than 5% of the issued share capital of the Holding Company as at 31st December, 2021:

Shareholders Names	2021 Ordinary shares of 50k each	2020 Ordinary shares of 50k each	2021 %	2020 %
Sunu Participations Holding	2,959,907,814	1,078,157,814	50.94	38.51
Sunu Assurances via Cote Divoire	1,878,509,684	749,459,684	32.33	26.77
Gateway Holdings Limited	-	203,104,879	0.00	7.25
Total	4,838,417,498	2,030,722,377	83.27	72.53

Year	Authorised (N) Increase	Cumulative	Ordinary Shares issued and (paid) Increase	Fully Paid Up	Consideration
1999	100,000,000	100,000,000	20,000,000	20,000,000	CASH
2000	-	100,000,000	12,869,376	32,869,376	CASH
2001	-	100,000,000	10,000,000	42,869,376	CASH
2002	-	100,000,000	57,130,624	100,000,000	CASH
2003	125,000,000	225,000,000	-	100,000,000	
2004	125,000,000	350,000,000	124,118,085	224,118,085	CASH
2005	150,000,000	500,000,000	-	224,118,085	
2006	500,000,000	1,000,000,000	16,008,435	240,126,520	BONUS
2006	-	1,000,000,000	1,672,257,462	1,912,383,982	MERGE R
2006	-	1,000,000,000	1,587,616,018	3,500,000,000	PRIVATE PLACEMENT/RIGHT ISSUE
2007	3,000,000,000	4,000,000,000	353,941,300	3,853,941,300	SUPPLEMENTARY
2008	3,000,000,000	7,000,000,000	-	3,853,941,300	
2009	-	7,000,000,000	569,707,910	4,423,649,210	PUBLIC OFFER
2010	-	7,000,000,000		4,423,649,210	
2011	-	7,000,000,000		4,423,649,210	
2012	-	7,000,000,000		4,423,649,210	
2013	-	7,000,000,000		4,423,649,210	
2014	-	7,000,000,000		4,423,649,210	
2015	-	7,000,000,000	2,576,350,790	7,000,000,000	PRIVATE PLACEMENT
2016	-	7,000,000,000		7,000,000,000	-
2017	-	7,000,000,000		7,000,000,000	
2018	-	7,000,000,000		7,000,000,000	
2019	-	7,000,000,000		7,000,000,000	
2020	-	7,000,000,000	(5,600,000,000)	1,400,000,000	SHARE RECONSTRUCTION
2021		7,000,000,000	1,505,400,000	2,905,400,000	PRIVATE PLACEMENT





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Post Balance Sheet events

The Company's paid up capital increased from N1,400,000,000 as at December 31, 2020 to N2,905,400,000 as at February 15, 2021 due to the additional units of shares of 3,010,800,000 at N1 each via private placement undertaken by the Company and was approved by the regulatory authorities namely Securities and Exchange Commission (SEC), Nigerian Exchange Limited (NGX) and National Insurance Commission (NAICOM). The Central Securities Clearing System (CSCS) has credited the accounts of the two Subscribers to the Private Placement namely SUNU Participations Holding SA and SUNU Assurances Vie Cote d'Ivoire.

In accordance with the Companies and Allied Matters Act, 2020, none of the directors has notified the Company of any declarable interest in contracts with the Company or other members of the Group.

Responsibilities

In accordance with the provisions of the Companies and Allied Matters Act, 2020, the Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries at the end of each financial year and of the profit or loss for that period.

The responsibilities include ensuring that:

appropriate internal controls are established to safeguard the assets of the Company, and its subsidiaries to prevent and detect fraud and irregularities;

the Company and its subsidiaries keeps accounting records which disclose with reasonable accuracy the financial position of the Company and its subsidiaries and which ensures that the financial statements comply with the requirements of the Companies and Allied Matters Act, 2020;

the Company and its subsidiaries maintains suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates and that all applicable accounting standards have been followed; and it is appropriate for the financial statements to be prepared on a going concern basis.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The directors who are retiring by rotation at the AGM in terms of clause 92 of the company's MEMART are Mr. Mohamed Bar, Mr. Karim-Franck Dione and Ms. Taizir Ajala.

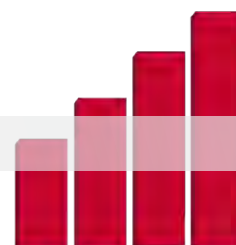
These directors, being eligible, have offered themselves for re-election.

Ratification of Appointment of Directors

The Board after due diligence is recommending the ratification of appointments of:

- | | |
|--------------------------|------------------------------------|
| 1. Mrs. Aisha Abubakar | Independent Non-Executive Director |
| 2. Mrs. Olajumoke Bakare | Independent Non-Executive Director |

The biographical details of each of these directors for election and re-election can be found on page 145 of the Annual reports and Accounts for the year ended 31st December, 2021.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

REINSURANCE ARRANGEMENTS

African Reinsurance Corporation
Waica Reinsurance Corporation
Continental Reinsurance Plc
Nigerian Reinsurance Corporation
FBS Reinsurance

ZEP- Reinsurance
AVENI Reinsurance
CICA- Reinsurance
NCA- Reinsurance



EMPLOYMENT AND EMPLOYEES

1. Employment of disabled persons

It is the policy of the Company and its subsidiaries that there should be no discrimination in considering applications for employment including those from disabled persons. During the year under review, there were no disabled persons in the Company and its subsidiaries employment.

2. Health, safety at work and welfare of employees

Health and safety regulations are in force within the Company's premises and employees are aware of existing regulations. The Company provides subsidies to all levels of employees for medical, transportation, housing, lunch, etc.

3. Employees' involvement and training

The Company and its subsidiaries are committed to keeping employees fully informed as far as possible regarding the Company's performance and progress and in seeking their views wherever practicable on matters which particularly affect them as employees.

Employees' development is carried out at various levels within the Company and its subsidiaries through both internal and external training.

Management, professional and technical expertise are the Company and its subsidiaries major assets and investments in developing such skills continue.

Incentive schemes designed to meet the circumstances of each individual are implemented wherever appropriate and some of those schemes include bonus, etc.

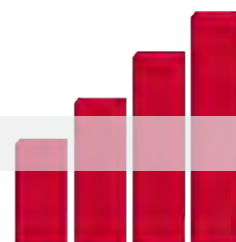
AUDITORS

The Auditors, SIAO Partners (Chartered Accountants), have indicated their willingness to continue in office as the Company's External Auditors. A resolution will be proposed authorizing the Directors to determine their remuneration for the next financial year.

Lagos Nigeria.

BY ORDER OF THE BOARD

Taiwo Kuku
COMPANY SECRETARY
FRC/2013/NBA/00000002571





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE OF THE BOARD OF DIRECTORS OF SUNU ASSURANCES NIGERIA PLC ("SUNU ASSURANCES") FOR THE YEAR ENDED 31st DECEMBER 2021



DCSL Corporate Services Limited (DCSL) was appointed to undertake a Board and Corporate Governance Appraisal of the Board of Directors of SUNU Assurances Nigeria Plc ("SUNU Assurances" "the Company") for the year ended 31st December 2021 in line with the provisions of **Principle 14 and 15 of the Nigerian Code of Corporate Governance, 2018 ("NCCG")**. The evaluation entailed a comprehensive review of the Company's corporate and statutory documents, the Minutes of Board and Committee meetings, policies currently in place, and other ancillary documents made available to us, Board and Peer Review Surveys administered as well as information derived from our interaction with Directors.

The appraisal centered on confirming the level of the Board's compliance with corporate governance practices with particular reference to the provisions of the NCCG and SCGG using the following seven key corporate governance parameters:

1. Board Structure and Composition
2. Strategy and Planning
3. Board Operations and Effectiveness
4. Measuring and Monitoring of Performance
5. Risk Management and Compliance
6. Corporate Citizenship; and
7. Transparency and Disclosure

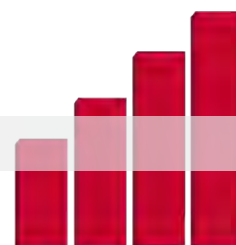
Our review of the corporate governance standards and processes affirm that the Board has substantially complied with the provisions of the Securities and Exchange Commission (SEC) Corporate Governance Guidelines, the NAICOM Code, Nigerian Code of Corporate Governance and other relevant corporate governance standards. The activities of the Board and the Company are also in compliance with corporate governance best practice and individual Directors remain committed to enhancing the Company's growth.

Details of our key findings and recommendations are contained in our Report.

Yours faithfully,

For: DCSL Corporate Services Limited

Bisi Adeyemi
Managing Director
FRC/2013/NBA/000000002716





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES ACT NO.29 OF 2007 FOR THE YEAR ENDED 31 DECEMBER 2021

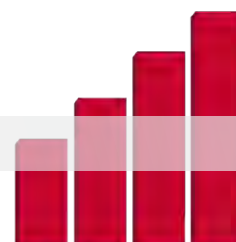
We the undersigned hereby certify the following with regards to our audited report for the year ended 31 December 2021 that:



- (a) We have reviewed the report
- (b) To the best of our knowledge, the report does not contain:
 - (i) any untrue statement of a material fact, or
 - (ii) omit to state a material fact, which would make the statements misleading in the light of circumstances under which such statements were made;
- (c) To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the Company as of and for the periods presented in the report.
- (d) We:
 - (i) are responsible for establishing and maintaining internal controls
 - (ii) have designed such internal controls to ensure that material information relating to the Company and its consolidated subsidiaries is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
 - (iii) have evaluated the effectiveness of the Company and its subsidiaries internal controls as of date within 90 days prior to the report.
 - (iv) have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- (e) We have disclosed to the auditors of the Company and its subsidiaries and audit committee:
 - (i) all significant deficiencies in the design or operations of internal controls which would adversely affect the Company and its subsidiaries ability to record, process, summarize and report financial data and have identified for the Company and its subsidiaries auditors any material weaknesses in internal controls and
 - (ii) any fraud, whether or not material, that involves management or other employees who have significant role in the Company and its subsidiaries internal controls;
- (f) We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.
- (g) This represents certification report as CAMA required.

Mr. Samuel Ogbodu
FRC/2013/CIIN/00000002970
Managing Director/CEO

Mr. Theophilus Iyile
FRC/2013/ICAN/00000002323
Acting Chief Finance Officer





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

COMPANIES REPORT OF AUDIT COMMITTEE

FOR THE YEAR ENDED 31 DECEMBER 2021



In accordance with the provision of section 404 S(7) of the Companies and Allied Matters Act, 2020, we have reviewed the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2021 and report as follows:

- 1 The Audit Committee met in exercise of its statutory responsibilities in accordance with section 404 S(7) of the Companies and Allied Matters Act, 2020
- 2 We have examined the Auditors report and findings and recommendations on management matters, we are satisfied with management responses thereon.
- 3 The accounting and reporting policies of the Company and its subsidiaries are consistent with legal requirements and agreed ethical practices.
- 4 The Company and its subsidiaries maintained effective systems of accounting and internal controls during the year.
- 5 We are satisfied that the management is aggressively pursuing the goals and objectives of the Company and its subsidiaries.

Dated this 9th March, 2022

Mr. Samuel A. Adedoyin FCA

Chairman Audit Committee

FRC/2013/ICAN/00000002573

Members of the Audit Committee:

- | | |
|-------------------------------|--------------------------|
| 1 Mr. Samuel A. Adedoyin FCA | - Shareholder (Chairman) |
| 2 Mr. Yinka Oniwinde | - Shareholder |
| 3 Oba Ajadi Yekini Olanrewaju | - Shareholder |
| 4 Mr. Mohammed Bah | - Director |
| 5 Ms. Taizir Ajala | - Director |



Mr. Samuel A. Adedoyin FCA
Chairman



Mr. Yinka Oniwinde



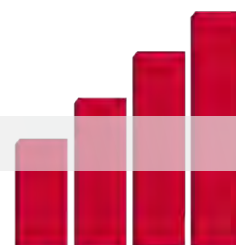
Oba Ajadi Yekinni Olanrewaju



Mr. Mohammed Bah



Ms. Taizir Ajala





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2021



The Board is responsible for the implementation of various regulatory Codes of Corporate Governance. The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial status of the company and ensures that the financial statements comply with the provisions of the Companies and Allied Matters Act, 2020.

They are also responsible for safeguarding the assets of the Company by taking reasonable steps for the prevention and detection of fraud and irregularities. Similarly, the Board sets the values and standards of the Company and ensure that the Company's business is properly managed to safeguard its assets and shareholders' investment.

During the year under review, the company was managed by a Board of 9 Directors consisting of 7 non-Executive Directors (which includes the Chairman) and 2 Executive Directors.

In compliance with the provision of the Code of Corporate Governance and the various sectorial Guidelines issued by the regulatory authorities. Messrs Olanrewaju Ogunbanjo and Ibikunle Balogun retired as directors of SUNU Assurances Nigeria Plc on 28th April and 31st July 2021 respectively having completed the maximum tenures as Non-Executive Directors of the Company.

In consequence of the above and as part of the Company's commitment to sound corporate governance practices the Board of Directors at its meeting held on 23rd December 2021 approved the appointment of Mrs Aisha Abubakar and Mrs Olajumoke Bakare for infusion of fresh ideas and to increase the number of women on our Board to address the issue of diversity and inclusion on the Board.

These appointments have been approved by NAICOM and other regulatory bodies. The Shareholders would in the course of this meeting be requested to ratify the appointment.

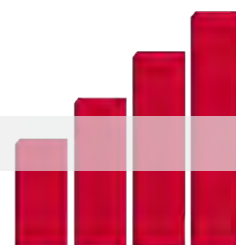
The fundamental relationships among the Board, its Committees, Management, Shareholders and other stakeholders are established by the company's governance structure.

BOARD

The Board is responsible for the overall stewardship of the company. Directors are elected by the shareholders to supervise management of the business and affairs of the company with the goal of enhancing long-term shareholder value. The Board's role consists of two fundamental elements: decision-making and oversight. The decision-making function is exercised through the formulation with management of fundamental policies and strategic goals and the approval of certain significant actions. The oversight function concerns the review of management decisions, the adequacy of systems and controls and the implementation of policies. In performing its role, the Board makes major policy decisions, participates in strategic planning, delegates to management authority and responsibility for day-to-day affairs and reviews management's performance and effectiveness.

The company's Memorandum and Articles of Association specifies certain important matters that must be dealt with by the Board, such as approval of Financial Statements and declarations of dividends. By formal resolution, the Board reserves for itself the authority to make certain decisions and delegates other decisions to Management. Any responsibilities not delegated to management remain with the Board and its Committees.

In some matters, Management's discretion is limited by Naira thresholds beyond which approval by the Board is required. For example, such thresholds exist for investments and divestitures, decisions relating to mergers and acquisitions, intra-group transactions, operating expenditures, capital and funding, and project initiatives.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Composition of the Board

The Board is comprised of nine members consisting of four non-executive directors, three independent non-executive directors and two executive directors in the following order:

S/N	NAME	DESIGNATION
1	Mr. Kyari Abba Bukar	Chairman (Independent Director)
2	Miss Taizir Ajala	Vice Chairman (Independent Director)
3	Mr. Philippe Ayivor	Non-Executive Director (Independent Director)
4	Mr. Mohamed Bah	Non-Executive Director
5	Mr. Ibikunle Balogun	Non-Executive Director (Resigned wef 31st July, 2021)
6	Mr. Karim-Franck Dione	Non-Executive Director
7	Mr. Olanrewaju Ogunbanjo	Non-Executive Director (Resigned wef 28th April, 2021)
8	Mr. Samuel Ogbodu	Managing Director/CEO
9	Mr. Adeleke Hassan	Executive Director

Board Meetings Attendance for year 2021

S/N	NAME	2/19/2021	4/28/2021	7/29/2021	10/29/2021	12/23/2021
1	Mr Kyari Abba Bukar	P	P	P	P	P
2	Ms Taizir Ajala	P	P	P	P	P
3	Mr. Mohamed Bah	P	P	P	P	P
4	Mr. Ibikunle Balogun	P	P	P	R	R
5	Mr. Olanrewaju Ogunbanjo	P	P	R	R	R
6	Mr. Philippe Ayivor	P	P	P	P	P
7	Mr. Samuel Ogbodu	P	P	P	P	P
8	Mr. Karim-Franck Dione	P	P	P	P	P
9	Mr. Adeleke Hassan	P	P	P	P	P

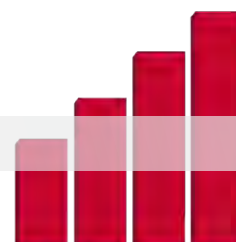
Key

P – Present

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R- Resigned from the Board

N/A- Not a member at the date of the meeting





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Roles and Responsibilities of the Board

- 1 Review and approving the Company's organizational structure.
- 2 Monitor implementation and effectiveness of the approved strategic and operating plans.
- 3 Review and approving the corporate financial objectives plans and actions of the Company including capital allocations, expenditures and transactions which exceeds threshold amounts set by the Board.
- 4 Approving major business decisions.
- 5 Approving and monitoring major projects including corporate restructures/ re-organizations, major capital expenditure, capital management, acquisitions and divestitures, and any significant initiatives or opportunities that arise outside the annual planning and budgeting process.
- 6 Oversee the conduct and performance of the Company and its subsidiaries, to ensure that they are being properly and appropriately managed. In this regard the Board will give specific and regular attention to the following:
 - -Monitoring performance against the strategic and business plans.
 - -Monitor performance against peer and competitor companies.
 - -Enquire into and following up areas of poor performance and their cause.
 - -Oversee the Company's capacity to identify and respond to changes in its economic and operating environment.

Board Appointment Process

It is recognized that directors should be appointed through a formal and transparent process initiated by the Board Remuneration, Nomination and Governance Committee (RNGC) subject to shareholders' approval. It is in the best interest of the shareholders that the board be properly constituted from the viewpoint of skills and representation.

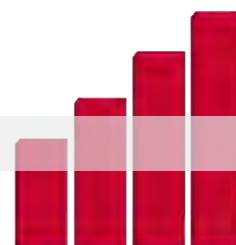
The process for appointing executive and non-executive directors to the Board of SUNU Assurances Nigeria PLC are transparent and in accordance with local laws and regulations governing the Company and ethical values.

The Board Remuneration, Nomination and Governance Committee (RNGC) has the overall responsibility for the appointment process. The Committee shall; assess the current Board's skills, experience and expertise to identify the skills that would best increase Board effectiveness; Develop selection criteria for potential board candidate(s); Where considered necessary, use the services of an independent executive search firm to assess the appropriateness of potential candidates or to supplement a candidate list provided by directors.

The final potential candidate(s) are then screened against the selection criteria. Any successful candidates are presented to the Board for approval in a convened meeting where the majority of the members of the Board are present.

Thereafter an induction programme is carried out to provide new board members with all the information and support they need to be confident and productive in their role. The aim is to help new members to understand the organization, the environment in which it operates, and their role in making the organization a success.

Appointment of a director is ratified by Shareholders at the following AGM.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Directors' Continuing Education

The Board Remuneration, Nomination and Governance Committee oversees director education, providing directors with an on-going program to assist them in understanding their responsibilities, as well as keeping their knowledge and understanding of the company's businesses current.

Directors identify their continuing education needs through annual Board and committee evaluations and regular feedback to the Chairman, Board of Directors and Committee Chairs. New Committee Chairs also receive materials and meet with executive directors and the Secretary to familiarize themselves with their responsibilities as Chairs. In particular, directors:

- receive a comprehensive package of information prior to each Board and committee meeting;
- receive reports on the work of Board committees following committee meetings;
- are involved in setting the agenda for Board and committee meetings;
- participate in an annual strategic planning session;
- have full access to the company's senior management and employees; and
- receive regular updates between Board meetings on matters that affect the company's businesses.

To assist Board members in understanding their responsibilities and liabilities, as well as keeping their knowledge and understanding of the company's businesses, the company provides directors with an ongoing education program.

Directors' Orientation/Training

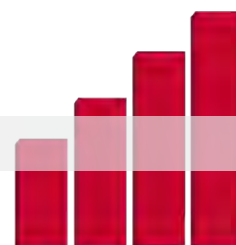
To enhance the Board's effectiveness, the company seeks to have new directors become fully engaged as quickly as possible. The Board Remuneration, Nomination and Governance Committee oversee director orientation to facilitate a smooth and timely integration of directors into their new roles as members of the Board.

New directors meet with the Board Chair, Committee Chairs, Chief Executive Officer, Company Secretary and other key senior management, to discuss the company's strategy and businesses, the culture of the company and its Board. New directors are also invited to attend committee meetings that they are not a member of to familiarize themselves with the company. They receive a comprehensive orientation guide/pack which explains the role and expectations of being a director, a summary of the company's structure and corporate governance principles, and other key policies and procedures, including the Code of Conduct for Directors and Conflict of interest Policy. A 'new director' mentorship program has also been implemented that pairs new directors with experienced members to further enhance the integration.

To keep abreast with developments in corporate practice and ensure quality participation in Board activities, existing Directors are made to attend periodic training on corporate governance and good business practice.

Evaluation Process of the Board and its Committees

The processes for assessment of the Board, its Committees and for director peer reviews are managed by the Board Remuneration, Nomination and Governance Committee. The Committee retains an external consultant to design and administer the evaluations, and to analyze the results of the evaluations of the Board and Committees' effectiveness and the director peer review process. In accordance with Principle 15.1 of the Nigerian Code of Corporate Governance, 2018, the Board of Directors in the year 2021 approved the appointment of DCSL Corporate Services Limited to undertake the Board Corporate Governance Evaluation of SUNU Assurances Nigeria Plc for the ended 31st December, 2021.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



In this process, directors provide their views on whether the Board is functioning effectively, as well as matters as specific as key strategic, operational and risk issues and the effectiveness of the director education program. The results of the evaluation are analyzed by the consultant and reviewed by members of the Board Remuneration, Nomination and Governance Committee and the full Board, who consider whether any changes to the Board's processes, composition or committee structure are appropriate. In this context, the Board develops priorities for the year to address any areas for improvement that have been identified. The Board Remuneration, Nomination and Governance Committee monitors' implementation of any action plans designed to address the approved priorities and periodically updates the Board on progress.

In the year 2021, following the recommendations of the Board evaluation Consultant DCSL Corporate Services Limited the Board reconstituted its standing committees membership to align with the provisions of the Nigerian Code of Corporate Governance 2018 and their respective Charters were amended to incorporate additional responsibilities as follows.

The Board Finance, Investment, Remuneration and General Purpose Committee (NOW 'Board Finance , Investment and General Purpose Committee). Board Enterprise Risk Management, Nomination and Governance Committee (NOW 'Board Enterprise Risk Management Committee') and the creation of a stand-alone Committee named Board Remuneration, Nomination and Governance in line with the requirements of the NCCG 2018.

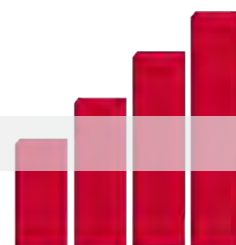
The Consultant conducted an audit of the Company's Governance framework (including policies, structures and processes) to ascertain the level of adequacy for effective corporate performance as well as compliance with statutes, regulations and in particular the Nigerian Code of Corporate Governance Guidelines, 2018,(NCCG) the National Insurance Commission Corporate Governance Guidelines which became effective on 1st June, 2021 and the Securities and Exchange Commission (SEC) Corporate Governance guidelines and best practices and principles, the Nigerian Stock Exchange Listing rules, the NAICOM Rules and Regulations, the Companies and Allied Matters Act (CAMA) and other regulations.

The Board Effectiveness Assessment was undertaken by way of peer-to-peer, self- review assessments and Chairman's leadership assessment as well as one-to-one interview sessions between the representatives of the independent external consultant and the Directors and CEO. The objective was to ascertain the level of the Board's compliance with Corporate Governance practices with particular reference to the provisions of the Nigerian Code of Corporate Governance, NAICOM and SEC Corporate Governance sectorial Guidelines. The results of Board Effectiveness Assessment were summarized and reported to the Board for discussion on areas for improvement and identification of actions for improvement.

The aim of the audit was to identify gaps and areas requiring improvement in the Board and corporate governance processes and policies in place at SUNU Assurances Nigeria Plc. and to propose possible remedies to ensure that the Company is indeed up to date with the requirements of the Nigerian Code of Corporate Governance and best practices.

An Executive summary of the report of the External Consultant is contained on page 22 of the Annual report and also available on the Company's website, www.SUNU-group.com.

Based on the results, the Board and its Committees and individual directors recorded a good performance. Attendance of Directors at Board meetings was impressive.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Biographical details of directors standing for re-election to enable shareholders to make informed decisions about their re-election

The directors who are retiring by rotation at the AGM in terms of clause 92 of the company's MEMART are Mr Mohammed Bah Mr. Karim-Franck Dione and Ms Taizir Ajala. These directors, being eligible, have offered themselves for re-election.

The biographical details of each of the directors available for re-election would be included in the notice of AGM which would be dispatched to shareholders.

AUDIT AND COMPLIANCE COMMITTEE

The Committee is established in compliance with Section 404(3) of the Companies and Allied Matters Act 2020 and it has the oversight responsibility for the Company's financial statements. In addition to its statutory functions, the audit and compliance committee also monitor that a properly resourced, documented and continuously updated compliance framework and structure exists and that appropriate compliance reporting and monitoring systems are in place.

Composition of the Audit and Compliance Committee

S/N	NAME	DESIGNATION
1	Mr Samuel Adedoyin	Chairman
2	Oba Ajadi Yekinni Olanrewaju	Member
3	Mr. Oluyinka Oniwinde	Member
4	Mr. Mohamed Bah	Non-Executive Director
5	Ms Taizir Ajala (Appointed wef 29th July, 2021)	Non-Executive Director

Audit and Compliance Committee Meeting and Attendance for year 2021

S/N	NAME	2/17/2021	4/21/2021	7/14/2021	10/14/2021	12/16/2021
1	Mr Samuel Adedoyin	P	P	P	P	P
2	Oba Ajadi Yekinni Olanrewaju	P	P	P	P	P
3	Mr. Oluyinka Oniwinde	P	P	P	P	P
4	Mr. Mohamed Bah	P	P	P	P	P
5	Ms Taizir Ajala	N/A	N/A	N/A	P	P

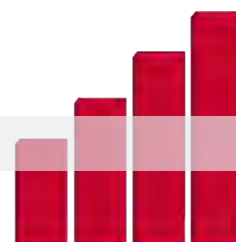
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SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

Responsibilities of the Audit and Compliance Committee



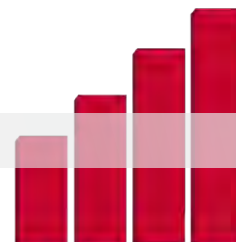
The purpose of the Audit and Compliance Committee is to assist the Board of Directors in fulfilling its oversight responsibilities.

In fulfilling their responsibilities hereunder, it is recognized that members of the Audit and Compliance Committee are not full-time employees of the Company and are not, and do not represent themselves to be, accountants, lawyers or auditors by profession or experts in the fields of accounting, legal or auditing including in respect of external auditors independence. As such, it is not the duty or responsibility of the Audit and Compliance Committee or its members to conduct "field work" or other types of auditing, legal or accounting reviews or procedures or to set auditors standards, and each member of the Audit and Compliance Committee shall be entitled to rely on:

- a The integrity of those persons and organizations within and outside the Company from which it receives information.
- b The accuracy of the financial and compliance information provided to the Committee by such persons or organizations having actual knowledge to the contrary (which shall be promptly reported to the Board of other Directors), and Representations made by management as to any information system, internal audit and other non-audit services provided by the independent external auditors to the Company.

In addition to its statutory functions, the Audit and Compliance Committee shall have the following additional responsibilities:

- a assist in the oversight of the integrity of the company's financial statements, compliance with legal and other regulatory requirements;
- b assessment of qualifications and independence of external auditor; and performance of the company's internal audit function as well as that of external auditors;
- c establish an internal audit function and ensure there are other means of obtaining sufficient assurance of regular review or appraisal of the system of internal controls in the company;
- d ensure the development of a comprehensive internal control framework for the company; obtain assurance and report annually in the financial report, on the operating effectiveness of the company's internal control framework;
- e oversee management's process for the identification of significant fraud risks across the company and ensure that adequate prevention, detection and reporting mechanisms are in place;
- f at least on an annual basis, obtain and review a report by the internal auditor describing the strength and quality of internal controls including any issues or recommendations for improvement, raised by the most recent internal control review of the company;
- g discuss the annual audited financial statements and half yearly unaudited statements with management and external auditors;
- h discuss policies and strategies with respect to risk assessment and management;
- i meet separately and periodically with management, internal auditors and external auditors;
- j review and ensure that adequate whistle-blowing procedures are in place. A summary of issues reported are highlighted to the Chairman;
- k review, with the external auditor, any audit scope limitations or problems encountered and management's responses to same;
- l review the independence of the external auditors and ensure that where non-audit services are provided by the External Auditors, there is no conflict of interest;
- m preserve auditor independence, by setting clear hiring policies for employees or former employees of independent auditors;
- n consider any related party transactions that may arise within the company or group;
- o invoke its authority to investigate any matter within its terms of reference and the company must make available the resources to the internal auditors with which to carry out this function including access to external advice where necessary; and report regularly to the Board.
- p Monitor and ensure that a properly resourced, documented and continuously updated compliance framework and structure exists and that appropriate compliance reporting and monitoring systems are in place.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



- q Monitor that the compliance system and reporting are consistent with the agreed compliance framework;
- r Review periodically the effectiveness of the system for monitoring compliance with standards, applicable laws, regulations, and internal policies.
- s Approve the appointment of a compliance officer and ensure that the individual has the appropriate authority and independence as compliance officer.
- t Review the adequacy and appropriateness of the Company's financial and human resources devoted to the implementation, operation and maintenance of an effective compliance frame work;
- u Monitor the standard of corporate conduct in areas such as arm's length dealings, related party transactions and conflict of interest.
- v Review major issues regarding the status of the company's compliance with laws and regulations as well as major legislative and regulatory developments that may have significant impact on the company.
- w Review disclosures made by the Chief Executive Officer and Chief Financial Officer regarding the compliance with their certification obligations, including the Company's disclosure controls, procedures and evaluations thereof;
- x Receive and review quarterly non-compliance reports;
- y The Committee may meet with the Company's Legal Adviser and External Legal Advisers where appropriate, to discuss legal matters that have a significant impact on the Company's financial statements.
- z An assessment of the Company's legal liability should be reviewed for any pending or threatened litigation, including establishment of any appropriate reserves or financial disclosures until the matter is adjudicated.

BOARD FINANCE, INVESTMENT AND GENERAL PURPOSE COMMITTEE

The Board Committee oversees the Company's investment and corporate finance transactions, reviews management policies and guidelines, reviews the Company's investment performance, and the Company's capital structure.

Composition of the Board Finance, Investment and General Purpose Committee

S/N	NAME	DESIGNATION
1	Miss Taizir Ajala	Chairman
2	Mr. Mohamed Bah	Non-Executive Director
3	Mr. Ibikunle Balogun	Non-Executive Director (Resigned wef 31st July, 2021)
4	Mr. Karim-Franck Dione	Non-Executive Director
5	Mr. Olanrewaju Ogunbanjo	Non-Executive Director (Resigned wef 28th April, 2021)
6	Mr. Samuel Ogbodu	Managing Director/CEO
7	Mr. Adeleke Hassan	Executive Director

Board Finance, Investment and General Purpose Committee Meeting and Attendance for year 2021

S/N	NAME	4/21/2021	7/14/2021	10/14/2021	12/15/2021
1	Ms. Taizir Ajala	P	P	P	P
2	Mr. Mohamed Bah	P	P	P	A
3	Mr. Ibikunle Balogun	P	P	N/A	N/A
4	Mr. Olanrewaju Ogunbanjo	P	R	R	R
5	Mr. Samuel Ogbodu	P	P	P	P
6	Mr. Karim-Franck Dione	P	P	P	P
7	Mr. Adeleke Hassan	P	P	P	P

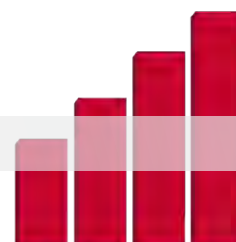
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SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



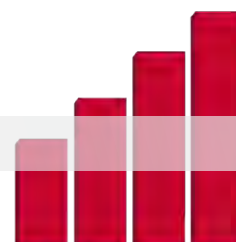
Responsibilities of the Board Finance, Investment and General Purpose Committee

Financial Considerations

- a to consider the Company's financial performance, in terms of the relationship between underlying activity, income and expenditure, and the respective budgets.
- b to consider and recommend to the Board the draft Annual Financial statement and Accounts, in parallel with the Audit Committee.
- c to review and report to the board on the periodic management accounts of the company.
- d receive the annual budgets for revenue and capital and recommend adoption by the Board.
- e to consider financial performance in relation to both the capital and revenue budgets.
- f to consider financial performance in relation to activity and Service Level Agreements.
- g to consider financial performance in relation to sensitivity analysis and the risk environment.
- h to consider and make recommendations to the Board on the annual estimates of income and expenditure and related statement of financial position.
- i review enabling strategies and their impact on the Medium Term Financial Strategy of the Company, including the Long Term Financial Model.
- j oversee arrangements to ensure the delivery of the Company's cost Improvement Programme.
- k approve the capital budget, investment and business case approval processes.
- l reviewing and controlling of overall levels of income and expenditure of the Company.
- m review all significant financial transactions for the company including debt and capital transactions.
- n to consider and make recommendations to the Board on the solvency of the company and the safeguarding of its assets.
- o to take decisions on any matter where the board has delegated its authority to take such decisions and the Committee must report to the board on the next meeting.
- p carrying out such executive functions as may from time to time be delegated to it by the Board, as well as discharge all such other duties as may from time to time be entrusted to it by the Board.

Investment Oversight

- a review the Company's investment policy and ensure that it complies with statutory regulation and best practice.
- b to maintain an oversight of the company's investments, ensuring compliance with the company's policy.
- c review the Company's strategy and test compliance with the investments.
- d to ensure appropriate independent advice is sought in relation to major investments.
- e consider post project evaluation reports on significant capital investment.
- f review proposals for major business cases and proposed new investments.
- g review the investment Policy (to include disinvestments) and recommend its adoption by the Board.
- h to advise the board on an investment and borrowing policy and to agree on its implementation.
- i review reports as appropriate from the Chief Treasurer and monitor performance on transactions undertaken on behalf of the Company.
- j review and act on the quarterly investment portfolio activity and performance of the company.
- k re-evaluate annually the related investment strategies, policies and guidelines.
- l to consider and make recommendations on any proposed capital projects and to advise the Board on their financial implications.
- m to monitor progress of major capital projects and report regularly to the Board.
- n review management of credit, liquidity and market risks.
- .





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

o consider the taxation management and compliance issues associated with the Company's financial transactions

p the Committee shall also be responsible for any other matters delegated to it by the Board



General Purpose

- a To perform such other task as may be delegated to the Committee by the Board.
- b Ensure that the Company's Board is independent, effective, competent and committed to enhancing shareholders' value.

BOARD REMUNERATION, NOMINATION AND GOVERNANCE COMMITTEE

The Board Committee oversees the alignment of human capital policies and the effectiveness of the Board and corporate governance structure including establishment of criteria for Board and Board Committee memberships.

Composition of the Board Remuneration, Nomination and Governance

S/N	NAME	DESIGNATION
1	Miss Taizir Ajala	Chairman
2	Mr. Mohamed Bah	Non-Executive Director
3	Mr. Ibikunle Balogun	Non-Executive Director (Resigned wef 31st July, 2021)
4	Mr. Karim-Franck Dione	Non-Executive Director
5	Mr. Olanrewaju Ogunbanjo	Non-Executive Director (Resigned wef 28th April, 2021)
6	Mr. Samuel Ogbodu	Managing Director/CEO
7	Mr. Adeleke Hassan	Executive Director
8	Mr. Philippe Ayivor	Independent Director

Board Remuneration, Nomination and Governance Committee Meeting and Attendance for year 2021

S/N	NAME	4/21/2021	7/14/2021	10/14/2021	12/16/2021
1	Ms. Taizir Ajala	P	P	P	P
2	Mr. Mohamed Bah	P	P	N/A	N/A
3	Mr. Ibikunle Balogun	P	P	R	R
4	Mr. Olanrewaju Ogunbanjo	P	R	R	R
5	Mr. Samuel Ogbodu	P	P	N/A	N/A
6	Mr. Karim-Franck Dione	P	P	P	P
7	Mr. Adeleke Hassan	P	P	N/A	N/A
8	Mr. Phillippe Ayivor	N/A	N/A	P	P

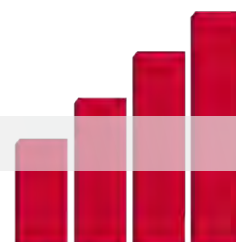
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SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Responsibilities of the Board Remuneration, Nomination and Governance Committee

Remuneration Consideration

- a development of a formal, clear and transparent framework for the Company's remuneration policies and procedures.
- b recommendation to the Board on the Company's remuneration policy and structure for all Directors and senior management employees.
- c to discharge the Boards responsibilities relating to compensation and benefits of the Company's Chief Executive Officer, Executive Directors and officers, as appropriate, including responsibility for evaluating and reporting to the Board on matters concerning management performance, compensation and benefits, appointments, promotion and separation.
- d to review and evaluate the components of staff compensation for consistency with the Company's compensation philosophy from time to time.
- e align human capital policies, programs, processes and systems to support accomplishment of the company's mission, vision, goals and priorities.
- f set strategic direction for Human capital development throughout the Company.
- g recommend and periodically review the Company's compensation policy for Board approval.
- h advise the Board on the compensation of board members.
- i review and approve the employment contract and individual compensation for selected principal officers (AGM and above).
- j provide input to the annual report of the company in respect of directors compensation;
- k Oversee with the board approval, the CEO and senior management successions plan.

Nomination Functions

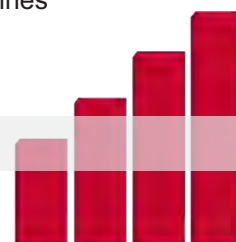
The functions of the Committee as it relates to Nomination include the following:-

- a make recommendations on experience required by Board Committee members, committee appointments and removal, operating structure, reporting and other committee operational matters;
- b make recommendations with respect to the composition of the Board Committees;
- c establish the criteria for Board and Board Committee memberships, review candidates qualifications and any potential conflict of interest, assess the contribution of current directors in connection with their re-nomination and make recommendations to the Board;
- d prepare a job specification for the Chairman's position, including an assessment of time commitment required of the candidate;
- e to evaluate and make recommendations to the Board regarding the adoption of best practices appropriate for the governance of the affairs of the Board, its committees and the Company.
- f review and make recommendations to the Board for approval of the company's organizational structure and any proposed amendments.
- g periodically evaluate the skills, knowledge and experience required on the Board.

Governance Functions

The functions of the Committee as it relates to governance include the following:-

- a review the company's approach to corporate governance, including practices, principles, guidelines and related policies and monitor compliance and report exceptions to the Board;





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



- b review and recommend to the Board the required capabilities, expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials.
- c review communication and disclosure of the SUNU's corporate governance practices and compliance with governance guidelines and any applicable regulatory.
- d ensure that a succession policy and plan exist for the positions of Chairman, MD/CEO and the executive directors.
- e make recommendations to the Board for evaluating the effectiveness of the Board and the company's existing corporate governance structure and reporting its findings and any suggestions for improvement to the Board for its consideration.
- f regularly review the Board Charter and the Charters for the Board Committees, considering input from the relevant Board Committees, and recommend to the Board for approval any required revisions.
- g review the performance and effectiveness of the subsidiary company Boards on an annual basis where applicable

Board Enterprise Risk Management Committee

The Committee has oversight function over the implementation of the Company's Enterprise Risk Management Framework, assessment of the non-financial risks inherent in the Company's operations and ensuring compliance with both regulatory provisions and directives and internally laid down policies.

Composition of the Board Enterprise Risk Management Committee

S/N	NAME	DESIGNATION
1	Mr. Karim-Franck Dione	Chairman
2	Mr. Mohamed Bah	Non-Executive Director
3	Mr. Olanrewaju Ogunbanjo (Resigned wed 28th April, 2021)	Non-Executive Director
4	Mr. Ibikunle Balogun (Resigned wed 31st July, 2021)	Non-Executive Director
5	Mr. Samuel Ogbodu	Managing Director
6	Mr. Philippe Ayivor	Non-Executive Director
7	Mr. Adeleke Hassan	Executive Director
8	Ms. Taizir Ajala	Non-Executive Director

Board Enterprise Risk Management Committee Meeting and Attendance for year 2021

S/N	NAME	4/21/2021	7/14/2021	10/18/2021	12/16/2021
1	Ms. Taizir Ajala	P	P	N/A	N/A
2	Mr. Mohamed Bah	P	P	N/A	A
3	Mr. Ibikunle Balogun	P	P	R	R
4	Mr. Olanrewaju Ogunbanjo	P	R	R	R
5	Mr. Samuel Ogbodu	P	P	P	P
6	Mr. Karim-Franck Dione	P	P	P	P
7	Mr. Adeleke Hassan	P	P	P	P
8	Mr. Philippe Ayivor	N/A	N/A	A	P

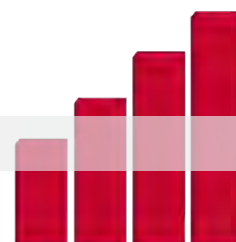
Key

P – Present

A – Absent

R - Resigned from the Board

N/A - Not a member at the date of the meeting





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Responsibilities of the Board Enterprise Risk Management Committee

Enterprise Risk Management Functions

The functions of the committee as it relates to enterprise risk management include the following:-

- a. review and approval of the companies risk management policy including risk appetite and risk management strategy;
- b. review the adequacy and effectiveness of risk management and controls;
- c. oversight of management's process for the identification of significant risks across the company and the adequacy of prevention, detection and reporting mechanisms;
- d. review of the company's compliance level with applicable laws and regulatory requirements that may impact the company's risk profile; periodic review of changes in the economic and business environment including emerging trends and other factors relevant to the company's risk profile; and review and recommend for approval of the Board risk management procedures and control for new products and services.
- e. re-evaluate the Risk Management Policies in the Company on a periodic basis to accommodate major changes in internal and external factors.
- f. review and approval of the company's Information Technology (IT) data governance framework to ensure that IT data risks are adequately mitigated.

COMPLIANCE WITH REGULATORY REQUIREMENTS

Post-listing Requirements of the Exchange

The company is compliant with the post-listing requirements of the Exchange.

Contraventions if any during the year and details of sanctions imposed for contravention

There was no contravention occasioned during the year

Nigerian Code of Corporate Governance

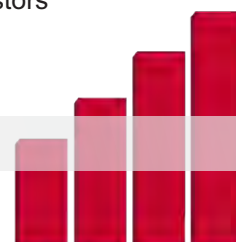
The Financial Reporting Council (FRC) of Nigeria released the Nigerian Code of corporate Governance on January 15, 2019. The code highlights key principles that seeks to institutionalize corporate governance best practices in Nigerian companies. SUNU Assurances commenced reporting on the application of this Code in its annual reports in line with the requirement.

Shareholder

The General Meeting of the Company is conducted in a transparent and fair manner. Shareholders have ample time and opportunity to express their opinions on the Company's financial performance and other issues affecting the Group. Representatives of the National Insurance Commission, Nigerian Stock Exchange, Securities and Exchange Commission, Shareholder Associations and members of the press are invited to observe the proceedings of the meeting. Attendance at the meetings is open to all Shareholders or their proxies.

Protection of Shareholders Rights and Communication to Shareholders

The Board welcomes engagement with shareholders and encourage them to express their views. To allow shareholders to provide timely and meaningful feedback, the Board has developed practices to facilitate constructive engagement. Examples of these practices include methods of hearing from shareholders and responding to their inquiries on an ongoing basis, as well as meetings with investors and organizations representing a significant number of shareholders.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Statement on Investors' Relations

SUNU Assurances Nigeria Plc has a dedicated investors' portal on its corporate website which can be accessed via this link: [https:// www.sunu- group.com](https://www.sunu-group.com). The Company's Investors' Relations Officer can also be reached through electronic mail at: taiwo.kuku@sunugroup.com or telephone on: +234 9098771584 for any investment related enquiry.

The Board continues to proactively consider and adapt, as suitable to the circumstances of the company, emerging practices of Board engagement with shareholders. Procedures are in place to provide timely information to current and potential investors.

The Board and Management of the Company ensure that accurate communication and information regarding the operations of the Company is properly disseminated to Shareholders, Stakeholders and the general public timely and continuously. This information which includes the Company's Annual Reports are also made available on the Company's web portal at www.sunu-group.com

Communication policy

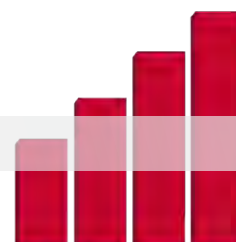
It is the responsibility of Executive Management under the direction of the Board to ensure that the Board receives adequate information on a timely basis, about the Company's businesses and operations at appropriate intervals and in an appropriate manner, to enable the Board to carry out its responsibilities.

Furthermore, the Board and Management of the Company ensures that communication and dissemination of information regarding the operations and management of the company to Shareholders, stakeholders and the general public is timely, accurate and continuous to give a balanced and fair view of the Company's financial and non-financial matters. Such information, which is in plain language, readable and understandable, is available on the Company's website, www.sunu-group.com. The website also has an investor's relation portal where the company's annual reports and other relevant information about the company is published and made accessible to its shareholders, stakeholders and the general public.

In order to reach its overall goal on information dissemination, the company is guided by the following principles, legislation and codes of corporate governance of the jurisdictions within which it operates. These include the Insurance Act, the Companies and Allied Matters Act (CAMA) and the codes of Corporate Governance issued by FRC, NAICOM and SEC Corporate Governance Guidelines.

Insider Trading and price sensitive information

In line with the Rules of Nigerian Exchange Limited, the company has a Security Trading Policy guiding its related in the trading of the Company's shares. To this end, the company is clear in its prohibition of insider trading by its Board, Management, Officers and related trading by its Board, Management, Officers and related persons who are privy to confidential price sensitive information. Such persons are further prohibited from trading in the company's securities where such transaction would amount to insider trading. Directors, insiders and related parties are prohibited from disposing, selling, buying or transferring their shares in the Company for a period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Company from time to time.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Chief Compliance Officer

The Chief Compliance Officer monitors compliance with Anti-Money Laundering/Counter Financing of terrorism requirement and the implementation of the Corporate Governance codes of the Company. The Chief Compliance Officer together with the Chief Executive Officer certified each year to NAICOM and SEC that they are not aware of any other violation of the Corporate Governance code, other than as disclosed during the year.

Whistle blowing procedures

In line with the company's commitment to instill the best corporate governance practices, a whistle blowing procedure was established that ensures anonymity on any reported incidence(s). The company has a dedicated address for whistle blowing procedures at nigeria.whistleblower@SUNU-group.com

Complaints Management Policy

The company has in place a customer complaints management policy. The objective of this policy is to provide a clearly defined complaints management procedure for the company and to ensure effective handling and resolution of concerns within the purview of regulations.

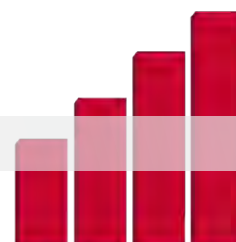
This is in line with the Securities and Exchange Rule on complaints management by public companies.

Code of Business Conduct and Ethics

The Company has adopted a code of business conduct and ethics regarding securities transactions by its directors and directors fully complied with this code during the year under review. There was no incidence of non-compliance with the required standard set out in the listings rules and in the Issuer's code of conduct regarding securities by directors. The Code of Conduct for directors and employees also seek to ensure that a culture of integrity is maintained throughout the organization. The Code promotes standards of ethical behavior that apply to directors, senior management and all employees.

The Code sets out fundamental principles that guide the Board in its deliberations and reflect the company's global businesses, and new and emerging risk areas. The Code requires that directors, officers and employees of the company and its subsidiaries promptly report suspected irregularities or dishonesty. It creates a frame of reference for dealing with sensitive and complex issues, and provides for accountability if standards of conduct are not upheld.

Directors, officers and employees also have an ongoing responsibility to identify potential and perceived conflicts of interest in relation to the company, its clients and its suppliers. Reporting on the Code which addresses, among other things, any significant breaches of the Code, is provided to the Board Remuneration, Nomination and Governance Committee on a semi-annual basis. Based on the spirit and intent of the Code and the importance of maintaining the highest standards of honest and ethical behavior, the company has the spirit and intent of the Code and the importance of maintaining the highest standards of honest and ethical behavior, the company has also adopted a policy establishing mechanisms for directors, officers, employees and third parties to report, on a confidential and anonymous basis, allegations of wrongdoing relating to accounting, auditing or internal accounting controls.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



The company has in place conflict of interest policy which required directors, members of staff and stakeholders from acting in a manner that places personal interests ahead of the best interest of the company, customers and shareholders. In keeping with the expectations regarding ethical representations regarding ethical corporate culture, customers and the public have a right to the openness and honesty with their dealings with the company.

As representatives of the company, members of staff and directors must avoid activities or circumstances which create conflicts between personal interest and our responsibilities as employees or directors, as well as complying with policies and procedures that manage potential conflicts between the company, interests and stakeholders such as customers and counter parties.

Human Resources Policies

The following human resources policies were approved by the Board to guide the relationship between the company and its employees:

The Employee Handbook

The handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees

The Performance Management Policy

Effective performance management involves sharing expectations of employees and managers. It enables both parties to set and agree targets, measures and review performance and repeat this cycle to support the achievement of organizational, team and individual goals.

SUNU Assurances presently operates a bi-annual appraisal cycle. The outcome from the performance appraisals determines promotions, training and development needs and succession plan.

Succession Plan Policy

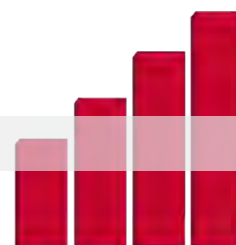
Recognizing that changes in key leadership and technical positions are inevitable, SUNU Assurances Nigeria Plc has established a succession plan to provide continuity and prevents extended and costly vacancies in key positions. SUNU Assurances Nigeria Plc succession plan is designed to identify and prepare candidates for critical positions that become vacant due to planned exits and new business opportunities.

Recruitment Policy

SUNU Assurances Nigeria Plc is committed to recruiting and retaining staff of the highest caliber in the industry with the qualifications and experience necessary for the achievement of organisational goals and business strategy. The company's recruitment process is designed in accordance with best practices in relation to equal opportunities. Recruitment is a crucial activity, not just for the HR department but also for the line management who are increasingly in the selection process. There is no discrimination in the employment, training and career development of all categories of employees in terms of gender, race ethnicity, tribe, religion or creed in compliance with constitution provisions.

Internal Management Structure and Relations with Employees

The management of SUNU Assurances Nigeria Plc engages her employees across all levels in the business strategy formulation and execution of the company. This initiative by the management increases employee engagement, commitment and ownership. Weekly tactical and Marketing meetings, Management Committees' meetings, monthly staff corporate assembly, monthly performance review (MPR) meetings are held to allow for exchange of ideas and business information across all levels.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Workplace Development Initiatives/ Welfare

The company has provided a training auditorium that can seat at least 50 employees. This is in line with its initiative to continuously provide a learning environment for employees.

The company also offer free medical care to its employees which was recently upgraded to enhanced medical plan, SUNU Assurances fully complies with 16 weeks maternity leave for women in deference to Labour Act. Male employees are also allowed a one week Paternity leave when their wives give birth.

Sustainability Policies and Other Workplace Development Initiatives

The company is committed to the provision of welfare to the less privileged in the society and the sustenance of workplace development initiatives. The set of five sustainability principles namely material domain, economic domain, domain of life social domain and spiritual domain are well entrenched in the culture and values of the organization

Internal Audit Function, Risk Management Control and Compliance System

There are Internal Control Function, Risk Management Control and Compliance Units in the Company. These units are operating efficiently and effectively in all respects of their responsibilities. The Board had established set of internal control policies, processes and procedures to enable these units perform optimally.

The Board is committed to improved and effective internal audit function, risk management control and compliance system and will not rest in its oars until these are achieved.

Statement to these effects are contained in pages **89 and 90** of the Audited Report FYE 31st December, 2021.

Remuneration Policy

The remuneration policy of the company is designed to set an appropriate level of remuneration that allows the company to retain the services of a suitable number of well qualified executive and non-executive directors.

Remuneration Policy for Executive Directors

The remuneration paid to the Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Board Remuneration, Nomination and Governance Committee.

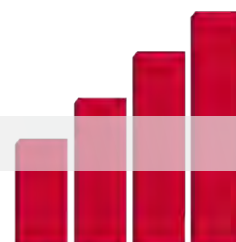
The remuneration of the Managing Director/CEO and Executive Directors consist of a fixed component and other variables.

Any increase in fixed salary is recommended by the Board Remuneration, Nomination and Governance Committee based on the general industry practice and the increase given to other members of staff in the Company.

The company provides a range of benefits which may include the provision of a car, private medical insurance, utility allowance, entertainment allowance, security allowance e.t.c.

Directors' interest in contracts

None of the Directors has notified the Company for the purpose of Section 303 of the Company and Allied Matters Act 2020 of any disclosable interest in Contracts in which the Company was involved during the year ended 31st December, 2021.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Remuneration Policy for Non-Executive Directors

There is no direct link between non-executive directors' remuneration and the annual results of the company or its related entities. However, non-executive directors of the company are remunerated by way of one base fee (inclusive of other allowances).

Service Provided	Chairman	Member
Sitting	N300,000.00 per sitting	N200,000.00 per sitting
Annual Fee	N1,000,000.00 per annum	N600,000.00 per annum
Travel	N2,300,000.00 per annum	N900,000.00 per annum
Domestic	N4,560,000.00 per annum	None

In addition to the base fee, non-executive directors who participate on Board Committees receive compensation for the additional responsibilities and workload incurred in those roles (Committee Fees).

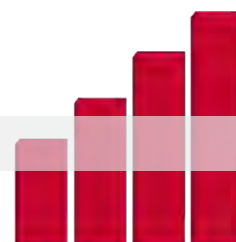
Service Provided	Chairman	Member
Board Enterprise Risk Management	N200,000.00 per sitting	N150,000.00 per sitting
Board Finance, Investment, General Purpose Committee	N200,000.00 per sitting	N150,000.00 per sitting
Audit and Compliance Committee	N200,000.00 per sitting	N150,000.00 per sitting
Board Remuneration Nomination & Governance Committee	N200,000.00 per sitting	N150,000.00 per sitting

Independent Advice

Independent professional advice is available on request to the Board at the expense of the Company where such advice is required to enable the Board members effectively perform their duties.

Statement of Compliance with the Code of Corporate Governance

The company's level of compliance with the Nigerian Code of Corporate Governance in the 2021 financial year was generally satisfactory. Required statutory returns were submitted to the National Insurance Commission, Securities & Exchange Commission, Nigerian Exchange Limited, the Financial Reporting Council of Nigeria and other regulatory bodies while appropriate disclosures concerning the business are made available periodically as required by relevant laws and regulations. There was no incidence of fine or any regulatory infraction or sanction in the year.

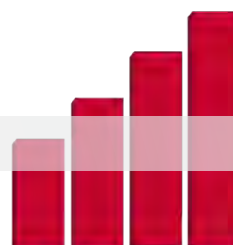




SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

REMUNERATION OF MANAGERS OF SUNU ASSURANCES NIGERIA PLC

Pursuant to the provisions of Section 257 of the Company and Allied Matters Act, 2020. The total compensation paid to managers in the reporting period is N240, 601, 942.26.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 31 DECEMBER 2021



As at 31 December 2021, the Group comprises of SUNU Assurances Nigeria Plc (Parent company) and 2 subsidiaries. The group's major business activities are insurance, health and asset management respectively.

This "Management Discussion and Analysis" (MD&A) has been prepared as at 31 December 2021 and should be read in conjunction with the consolidated financial statements of SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES.

Forward Looking Statements

The MD & A contains forward looking statements related to SUNU Assurances Nigeria Plc financial and other projections, expected future plans, event, financial and operating results, objectives and performance as well as underlying assumptions all of which involve risk and uncertainties. When used in this MD&A the words "believe", "anticipation", "intended", "estimate" and similar expressions are used to identify forward looking statements, although not all forward looking statements contain such words. These statements reflect management's current belief and are based on information available to SUNU Assurances Nigeria Plc and are subject to certain risk, uncertainties and assumptions.

Business Strategy of the Company and Overall Performance

The Group is engaged in providing insurance, health management and investment management to the corporate and retail sector of Nigeria. During the year ended 31 December 2021, SUNU Assurances Nigeria Plc ensured full compliance with the NAICOM directive on "no premium no cover policy". The policy aims to stimulate liquidity within the system by reducing the huge receivables being carried on the statement of financial position of insurance companies. This will positively impact the income statements of insurance companies by eliminating the large portion of provision for outstanding premium charged for the receivables and make more cash available which can be used to generate more investment income.

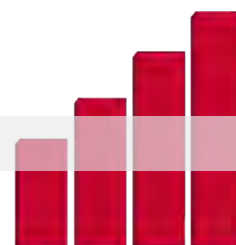
On the contrary, this would reduce the premium income recognised by companies initially (as premium would only be recognised when cash is received) but the situation would normalize as the insured public adjust their cash flow management to the new regulation.

The Group's strategy is to use technology and international best practices to provide its customers with tailor made solutions, superior services and specially designed programs to assist its patrons through a network of regional and agency offices spread over Nigeria.

Operating Result, Cash flow and Financial Condition
(in thousands of Nigerian Naira)

	Group			Company		
	Dec-21	Dec-20	% change	Dec-21	Dec-20	% change
Gross premium written	6,146,093	4,208,976	46.0%	4,871,144	3,270,464	49%
Net premium income	4,462,357	3,089,847	44%	3,187,408	2,157,346	48%
Underwriting profit/(loss)	2,185,143	1,635,877	34%	1,480,402	1,154,465	28%
Investment income	247,286	345,557	-28%	222,160	321,953	-31%
Operating expenses	(2,214,890)	(1,846,277)	20%	(1,639,378)	(1,409,359)	16%
Profit/(Loss) before tax	488,162	313,411	56%	324,760	215,225	51%

% change = Percentage change in years.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

The Group experienced an increase of 46.02% in gross written premium when compared to prior year result. The increase can be attributed to the Company's strategic decision with respect to revenue generation.



Revenue and Underwriting Results

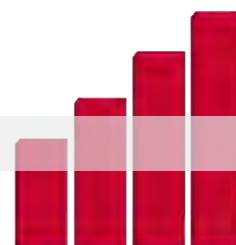
The underwriting profit for the year ended December 31, 2021 increased by 33.58% from N1.635 Billion in 2020 to N2.185Billion in 2021. This was majorly due to growth of 44.18% in total underwriting income from N3.246 Billion in 2020 to N4.679 Billion in 2021.

Investment Income

Investment income for the year amounted to N247.286Million, a decrease of 28.44% below 2020 figure of N345.56 Million. This can be attributed to the downward fall in investment rate on placements held with financial institutions and FGN Securities in most part of 2021 financial year when compared to 2020.

Operating Expenses

Operating expenses for the year totalled N2.215Billion an increase of 19.98% when compared to prior year figure of N1.846 Billion. This increase was as a result of massive growth in revenue generation and general increase in the cost of services in 2021.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

COMPANIES IMPACT OF COVID-19)



Following the outbreak of COVID-19 pandemic, the Company instituted various measures to preserve the health and well being of its employees, clients and communities while minimizing the impact of the pandemic on its Businesses in all the jurisdiction where it operates. The Group activated its Business Continuity Plans and came up with various initiatives to prevent business disruptions while ensuring adequate customer service delivery. Some of the measures adopted include internal awareness campaigns, enforcement of health and safety precautions, minimization of physical access to office premises, restriction of access to buildings to non-essential visitors, enforcement of social distancing protocols and virtual working approach to reduce exposure and replacement of face-to-face meeting meetings with video conferences or online meetings. The Group also came up with palliative measures to ease the difficulty encountered by obligors in identified vulnerable segments and partnered with Government on initiatives aimed at alleviating suffering brought by COVID-19.

The containment measures implemented against the COVID-19 pandemic such as lockdowns, travel restrictions, closure of non-essential businesses and skeletal service operations impacted economic activities during the year. The Federal Government and the CBN introduces palliatives to alleviate the sufferings of poor masses and minimize the impact of the pandemic on the economy.

In accordance with the Group's Business Continuity Plans, the IT unit provided Virtual Private Network (VPN) access to staff from different remote locations without compromising security. This enabled us to achieve flexible work arrangements and alternate team split with some of our staff working from their respective homes. As our employees continue to work from home, we monitored staff productivity and continually maintained the confidentiality of all sensitive information.

The Group will continue to monitor the development of the situation locally and globally and follow recommended measures and guidelines issued by the Nigeria Centre for Disease Control (NCDC) and their Counterparts in other jurisdiction where we are operating, World Health Organization (WHO) and other health authorities.

In the light of these recent developments and its underlying impact, the Company, has assessed the impact of COVID-19 on the annual financial statements and considered the potential impairment indicators.

The Group experienced a minimal effect on its business generation efforts as we made use of our IT facilities coupled with the well-established excellent customer relationship with our clients. Also, the policy of no premium no cover guiding the marketing of insurance products ensured no debt is built up. The covid 19 pandemic rather compelled more entities to seek for more insurance products than they did previously. The number of claims recorded in the year was also not abnormally high compared to previous years and this made the effects of the pandemic to be minimal on the Group financials. However, the Group incurred a total of N429,489 in order to keep its premises in better hygienic condition and prevent the spread as well as support government's initiatives in curtailing the menace and hardship experienced by the populace as follows:

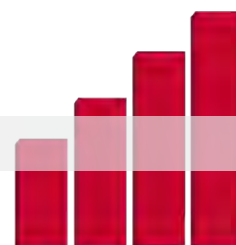
Preventive materials at offices

N

429,489

429,489

As at the date of approving these annual financial statements, management have assessed that there is no material impact on the annual financial statements for the year ended 31 December, 2021





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES



Lagos: 18b, Olu Holloway Road, Ikoyi, Lagos.
Tel: +234 8021810043

Abuja: 1st Floor, Bank of Industry Building
Central District Area, FCT, Abuja.
Tel: 09-291 2462-3
Email: enquiries@siao.ng.com
Website: www.siao-ng.com



INDEPENDENT AUDITORS' REPORT

To the Shareholders of SUNU Assurances Nigeria Plc

Report of the Audited Consolidated Financial Statements for the year ended 31st December, 2021

Opinion

We have audited the consolidated financial statements of **SUNU Assurances Nigeria Plc (the Company) and its Subsidiaries** (altogether, the Group) which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows for the year then ended; and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the consolidated financial statements give a true and fair view of the consolidated financial position of SUNU Assurances Nigeria Plc and **its subsidiaries** as at 31 December 2021 and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) applicable and in the manner required by the Financial Reporting Council Act 2011, Companies and Allied Matter Act, 2020, Insurance Act 2003 of Nigerian the Investments and Securities Act 2007 and the relevant NAICOM circulars.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The following key audit matters were identified.

Key Audit Matters.

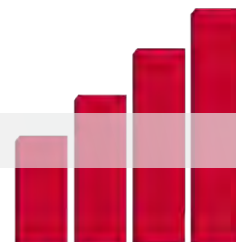
Valuation of Insurance Contract Liabilities

Refer to note 17 in the Group financial statements

-Management has estimated the value of insurance contract liabilities in the Group financial statements to be N3.460 billion as at year ended December 31, 2021 based on a liability adequacy test carried out by an external firm of actuaries. The valuation depended on a set of key assumptions and significant judgements including supposition that:

How our audit addressed the key Audit Matters

- Our procedures in relation to management's valuation of insurance contract liabilities using a firm of Actuaries include:
- Evaluate and validate control over insurance contract liability;





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES



- The information and explanations provided by SUNU are correct and complete as at material time
- The projections are based on a number of assumptions as to future conditions and events. The outcome of these conditions and events may be different from the assumptions;
- Inflation assumption was based on official consumer price index which may be different from claim inflation
- Claims processing assumes consistent manner, a stable mix of types of claims, stable inflation and stable policy limits;
- Policies are written, and claims occur uniformly throughout the year for each class of business;
- Claims reported to date will continue to develop in a similar manner in the future;
- Future inflation was assumed to be 11% per annum;
- UPR is calculated on the assumption that risk will occur evenly during the duration of the policy;
- Reserving techniques are subject to model error, parameter error and errors due to random fluctuations.
- Evaluate the independent external actuary's competence, capability and objectivity;
- Assessing the methodologies used and the appropriateness of the key assumptions;
- Checking the accuracy and relevance of data provided to the actuary by management;
- Reviewing the result based on the assumptions
- We assessed the disclosures on note 17 and found them to be appropriate based on the assumptions and test result.

Other Information

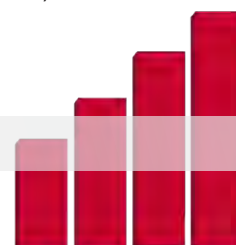
Management is responsible for the other information. The other information comprises all the information in the SUNU Assurances Nigeria Plc 2021 annual report other than the Group financial statements and our auditors' report thereon ("the Other Information"). Our opinion on the Group financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Group financial statements, our responsibility is to read the other information and in doing so, consider whether the Other information is materially inconsistent with the Group financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work we have performed on the Other information obtained prior to the date of this auditors' report, if we conclude that there is a material misstatement of the Other Information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Directors for the Group Financial Statements

The Directors are responsible for the preparation of Group financial statements that give a true and fair view in accordance with International Financial Reporting Standard (IFRSs) and in the manner required by the Companies and Allied Matters Acts 2020, Financial Reporting Council Act 2011, the Insurance Act 2003 of Nigeria, the Investments and Securities Act 2007 and National Insurance Commission (NAICOM) circulars.





This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the Group financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

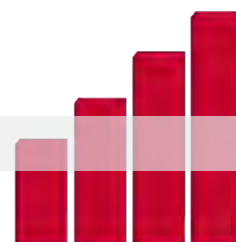
Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Group financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with section 359 (1) of the Companies and Allied Matters Act 2020 and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Group financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.





AUDITORS RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Group financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Group financial statements, including the disclosures, and whether the Group financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding , among other matters, the planned scope and timing of the audit, and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the Group financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

Report on other legal requirements

Contravention of laws and regulations

The company did not contravene any law or regulation during the year

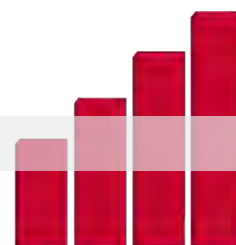
Compliance with the FRC guidelines for reporting the effects of COVID-19 on business operations.

The Group complied with the guidance provided by the Financial Reporting Council (FRC) for reporting the impact of COVID-19 on its operations. Also, we confirm that we have obtained sufficient appropriate audit evidence regarding going concern applicability. We conclude, based on the audit evidence obtained up to the date of our auditor's report, that no material uncertainty exists about the Group's ability to continue as a going concern.

Compliance with the requirements of the Companies and Allied Matters Act, 2020 and the Nigerian Insurance Act, 2003

The Companies and Allied Matters Act and Nigerian Insurance Act requires that in carrying out our audit, we consider and report to you on the following matters. we confirm:

- I) We have obtained all the information and explanations which to the best of our knowledge belief and were necessary for the purpose of our audit;





ii) In our opinion, proper books of account have been kept by the Group, so far as appears from our examination of those books;

iii) The Group's statement of financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

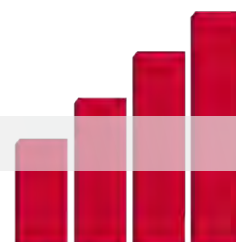
For: S.I.A.O
(Chartered Accountants) Ikoyi,
Lagos



Engagement Partner : Joshua Ansa, FCA

FRC/2013/ICAN/00000001728

Date: 11th March, 2022





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021



1 REPORTING ENTITY

These financial statements are the consolidated financial statements of SUNU Assurances Nigeria Plc, a Company incorporated in Nigeria and its subsidiaries, namely EA Capital Management Limited and SUNU Health Nigeria Limited (formerly Managed Health Care Services Limited) (hereafter referred to as 'the Group').

SUNU Assurances Nigeria Plc formerly Equity Assurance Plc (the Company) emerged as a result of the merger between Equity Indemnity Insurance Limited and First Assurance Plc. In the scheme of the merger arrangement, First Assurance Plc acquired the net assets of Equity Indemnity Insurance Limited and subsequently changed its name to Equity Assurance Plc.

SUNU Assurances Nigeria Plc (the Company) was incorporated in Nigeria as a private limited liability Company, on 13 December 1984 to carry out non-life insurance business and was converted to a Public Liability Company in 1985.

SUNU Assurances Nigeria Plc (the Company) has two subsidiaries namely: EA Capital Management Limited (wholly owned) which was incorporated on 29 October 2008 and SUNU Health Nigeria Limited (formerly Managed Health Care Services Limited) (67.3% owned) which was incorporated on 11 December 1997.

The principal activities of SUNU Assurances Nigeria Plc and its subsidiaries are mainly the provision of non-life insurance, health management, assets management and hospitality services.

The consolidated financial statements for the year ended December 31, 2021 were approved for issue by the Board of Directors on **25 February 2022**.

2 BASIS OF PREPARATION

(a) GOING CONCERN

The directors assess the group's future performance and financial position on a going concern basis and have no reason to believe that the group will not be a going concern in the year ahead.

(b) STATEMENT OF COMPLIANCE WITH IFRS

The financial statements have been prepared in accordance with, and comply with, International Financial Reporting Standards (IFRSs) and in the manner required by Companies and Allied Matters Act of Nigeria, the Insurance Act of Nigeria and the Financial Reporting Council of Nigeria.

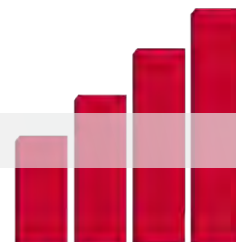
(c) BASIS OF MEASUREMENT

These consolidated and separate financial statements have been prepared on the historical cost basis except for the following:

- Non-derivative financial instruments are measured at fair value through profit or loss.
- At fair value through Other Comprehensive Income and at fair value through profit or loss financial assets are measured at fair value.
- Investment property is measured at fair value.
- Insurance liabilities measured at present value of future cashflows.

(d) USE OF SIGNIFICANT ESTIMATES, ASSUMPTIONS AND MANAGEMENT JUDGEMENT

The presentation of the group's financial statements requires management to make estimates and judgement that affect the reported amount of assets and liabilities at the reporting date and the reported amount of income and expenses during the year ended.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

The Group makes estimates and assumptions about the future that affect the reported amounts of assets, liabilities, income, expenses and equity. Estimates and judgments are continually re-evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in Note 4 of the financial statements.

(e) FUNCTIONAL AND PRESENTATION CURRENCY

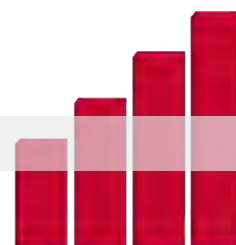
Items included in the consolidated financial statement of each entity of the group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity ("the functional currency"). These consolidated financial statements are presented in Nigerian Naira(N), which is the Company's functional currency. The financial information has been rounded to the nearest thousand, except as otherwise indicated.

(f) REGULATORY AUTHORITY AND FINANCIAL REPORTING

The Company and its subsidiaries are regulated by the National Insurance Commission of Nigeria (NAICOM) under the Nigeria Insurance Act. The Act specifies certain provisions which have impact on financial reporting as follows:

- (ii) Section 20(1b) requires provision for outstanding claims to be credited with an amount equal to the total estimated amount of all outstanding claims with a further amount representing 10% of the estimated figure for outstanding claims in respect of claims incurred but not reported at the end of the year under review.
- (iii) Section 21(1a) requires maintenance of contingency reserves for general businesses at specified rate as set out under Note 3.18 to cover fluctuations in securities and variation in statistical estimates
- (iv) Section 24 requires the maintenance of a margin of solvency to be calculated in accordance with the Act.
- (v) Section 10(3) requires insurance Companies in Nigeria to deposit 10% of the minimum paid up share capital with the Central Bank of Nigeria
- (vi) Section 25(1) requires an insurance Company operating in Nigeria to invest and hold investment in Nigeria assets equivalent to not less than the amount of policyholders' funds in such accounts of the insurer. Note 52 sets out assets allocation that covers policyholders' funds.

Section 59 of the Financial Reporting Council Act, 2011 (FRC Act) provides that in matters of financial reporting, if there is any inconsistency between the FRC Act and other Acts which are listed in section 59(1) of the FRC Act, the FRC Act shall prevail. The Financial Reporting Council of Nigeria acting under the provision of the FRC Act has promulgated IFRS as the National financial reporting framework of Nigeria. Consequently, the provision of Section 20(1b) of the Insurance Act 2003 which conflicts with the provisions of IFRS have not been adopted. Section 20(1b) of the Insurance Act requires provision of 10% for outstanding claims in respect of claims incurred but not reported at the end of the year under review whereas Claims incurred but not reported liabilities have been estimated in line with accounting policy.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



(g) OFFSETTING

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Group's trading activity.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1 Basis of presentation and compliance with IFRS

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) applicable to Companies reporting under IFRS. Additional information required by National regulations is included where appropriate.

The consolidated financial statements comprise the consolidated statement of financial position, the statements of changes in equity, the consolidated statement of cash flows and the notes.

2.2.1 ACCOUNTING STANDARDS EFFECTIVE FOR THE PREPARATION OF FINANCIAL STATEMENTS FOR DISCLOSURE IN THE 2021 FINANCIAL STATEMENTS

AMENDMENTS TO ACCOUNTING STANDARDS THAT ARE IN USE FOR THE FIRST TIME IN THE PREPARATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

Amendment to IAS 1 and IAS 8

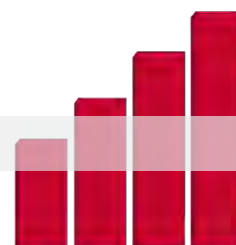
In October 2018, the IASB issued the definition of 'material'. The amendments which became effective in the annual reporting periods starting from 1 January 2020 are intended to clarify, modify and ensure that the definition of 'material' is consistent across all IFRS. In IAS 1 (Presentation of Financial Statements) and IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors), the revised definition of 'material' is quoted below:

"An information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make based on those financial statements, which provide financial information about a specific reporting entity".

The amendments laid emphasis on five(5) ways material information can be obscured. These include:

- (i) If the language regarding a material item, transaction or other event is vague or unclear;
- (ii) If information regarding a material item, transaction or other event is scattered in different places in the financial statements;
- (iii) If dissimilar items, transactions or other events are inappropriately aggregated;
- (iv) If similar items, transactions or other events are inappropriately disaggregated and
- (v) If material information is hidden by immaterial information to the extent that it becomes unclear what information is material.

The Group has taken into consideration the new definition in the preparation of its financial statements.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



IFRS 3 — Business Combinations

IFRS 3 "Business Combinations" outlines the accounting when an acquirer obtains control of a business (e.g. an acquisition or merger). In October 2018, after the post implementation review of IFRS 3, the IASB issued an amendment to IFRS which became effective for annual periods beginning on or after 1 January 2020. The amendment centers on the definition of a business.

They include:

- (1) That to be considered a business, an acquired set of activities and assets must include, at minimum, an input and a substantive process that together significantly contribute to the ability to create outputs
- (2) Narrow the definitions of a business and of outputs by focusing on goods and services provided to customers and by removing the reference to an ability to reduce costs
- (3) Add guidance and illustrative examples to help entities assess whether a substantive process has been acquired.
- (4) Remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs
- (5) Add an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business

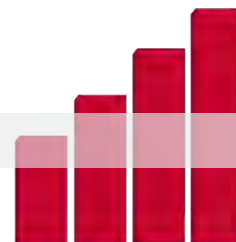
2.2.2 AMENDMENTS TO ACCOUNTING STANDARDS YET TO BE EFFECTIVE IN THE PREPARATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

IFRS 4 — Insurance Contracts [Superseded]

IFRS 4 "Insurance Contracts" applies, with limited exceptions, to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. In light of the IASB's comprehensive project on insurance contracts, the standard provides a temporary exemption from the requirements of some other IFRSs, including the requirement to consider IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" when selecting accounting policies for insurance contracts.

The IASB tentatively decided to defer the effective date of IFRS 17, Insurance Contracts to annual periods beginning on or after January 1, 2023. The IASB also tentatively decided to defer the fixed expiry date for the temporary exemption to IFRS 9 in IFRS 4 by one year so that all insurance entities must apply IFRS 9 for annual periods on or after January 1, 2022.

Pronouncement	Required to be implemented for periods beginning on or after beginning on or after	Nature of Change
FRS17: Insurance Contracts	1 January, 2022	Amendments to supersede IFRS 4-Insurance contract Establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period.

Standards and interpretations effective during the reporting period

Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2021. The new reporting requirements as a result of the amendments and/or clarifications have been evaluate and their impact or otherwise are noted below:

Amendments to IFRS 16 - Covid-19-Related Rent Concessions beyond 30 June 2021

In March 2021, the Board amended the conditions of the practical expedient in IFRS 16 that provides relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. As apractical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lease that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

Following the amendment, the practical expedient now applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met.

This amendment has no impact on the Group

Standards and interpretations issued/amended but not yet effective

The following standards have been issued or amended by the IASB but are yet to become effective for annual periods beginning on or after 1 January 2021.

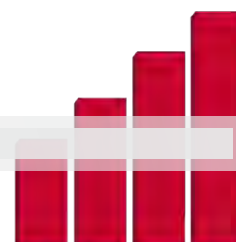
Standard	Content	Effective Date
IAS 16	Amendment to IAS 16 Property, Plant and Equipment	1-Jan-22
IAS 37	Amendment to IAS 37 Provisions, Contingent liabilities and Contingent assets	1-Jan-22
IFRS 3	Amendment to IFRS 3-Reference to the Conceptual Framework	1-Jan-22
IAS 1	Amendment to IAS 1- Classification of Liabilities as Current or Noncurrent	1-Jan-23
IFRS 17	Insurance Contracts	1-Jan-23
IFRS 8	Amendment to IFRS 8-Definition of Accounting Estimates	1-Jan-23
IAS 12	Amendment to IAS 12-Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1-Jan-23

The Group has not applied the following new or amended standards in preparing these consolidated and separate financial statements as it plans to adopt these standards at their respective effective dates.

Commentaries on these new standards/amendments are provided below.

Amendment to IAS 16 – Property, Plant and Equipment

The IASB issued amendment to IAS 16 - Propert, Plant and Equipment which is effective for annual reporting periods beginning on or after 1 January 2022.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

The amendment prohibits the deduction from the cost to an item of property, plant and equipment precede of the sale of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by Management. Instead, an entity should recognize the sale proceeds and related production cost of those items in profit or loss.

The amendment is not expected to have any impact on the Group.

Amendment to IAS 37 – Provisions, Contingent liabilities and Contingent assets

The IASB published amendment to IAS 37 - Provisions, Contingent liabilities and Contingent assets in May 2020. The amendment which is effective for annual reporting periods beginning on or after 1 January 2022 specifies the costs as entity needs to include when assessing whether a contract is onerous.

The amendment clarifies that the costs that relate to a contract comprise both incremental costs of fulfilling the contract and an allocation of other direct costs related to the contract activities.

The amendment do not have any material impact on the Group.

IFRS 17 – Insurance Contracts

The IASB issued IFRS 17 in May 2017 and applies to annual reporting periods beginning on or after 1 January 2023. The new IFRS17 standard establishes the principles for the recognition, measurement, presentation and disclosure of Insurance contracts within the scope of the Standard.

The objective of IFRS 17 is to ensure an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flow

The impact will be effected when it is adopted.

Amendment to IAS 1 – Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. The amendment clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

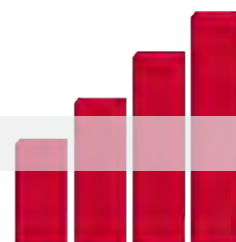
The Board also added two new paragraphs (Paragraph 76A and 76B to IAS1 to clarify what is meant by "settlement" of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity.

The amendment does not have any material impact on the Group.

IFRS 8 – Definition of Accounting Estimates

The amended standard clarifies that the effects on an accounting estimate of a exchange in an impute or a change in a measurement technique are changes in accounting estimate if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the board.

The amendment does not have any material impact on the Group.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

IFRS 3 – Reference to the Conceptual Framework

The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'Day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments clarify that where payments that settle a liability are deductible for tax purpose, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purpose to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of a lease asset and lease liability (or decommissioning liability and decommissioning asset component) give rise to taxable and deductible temporary differences that are not equal.

Nevertheless, it is possible that the resulting deferred tax assets and liabilities are not equal (e.g., if the entity is unable to benefit from the tax deductions or if different tax rates apply to the taxable and deductible temporary differences). In such cases, which the Board expects to occur infrequently, an entity would need to account for the difference between the deferred tax asset and liability in profit or loss.

The amendment does not have any material impact on the Group.

3 SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are defined as those that are reflective of significant judgements and uncertainties and potentially give rise to different results under different assumptions and conditions.

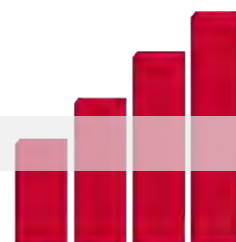
The accounting policies set out below have been consistently applied to all periods presented in these financial statements.

3.1 CONSOLIDATION

(I) Subsidiaries

The financial statements of subsidiaries are consolidated from the date the Group acquires control, up to the date that such effective control ceases. For the purpose of these financial statements, subsidiaries are entities over which the Group, directly or indirectly, has power to govern the financial and operating policies so as to obtain benefits from their activities.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (transactions with owners). Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the Group.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

Inter- company transactions, balances and unrealised gains on transactions between Companies within the Group are eliminated on consolidation. Unrealised losses are also eliminated in the same manner as unrealised gains, but only to the extent that there is no evidence of impairment. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Investment in subsidiaries in the separate financial statements of the Company entity is measured at cost.

Acquisition - related costs are expensed as incurred.

If the business combination is achieved in stages, fair value of the acquirer's previously held equity interest in the acquired is re- measured to fair value at the acquisition date through profit or loss.

(I) Disposal of subsidiaries

On loss of control, the Group derecognises the assets and liabilities of the subsidiary, any controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, that retained interest is accounted for as an equity, accounted investment or as an available - for - sale financial asset depending on the level of influence retained.

(ii) Special purpose entities

Special purpose entities that are created to accomplish a narrow and well- defined objective such as the securitization of particular assets, or the execution of specific borrowings or lending transactions or the provision of certain benefits to employee.

The financial statements of special purpose entities are included in the Group's consolidated financial statements, where the substance of the relationship is that the Group controls the special purpose entity.

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include notes and coins on hand and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortized cost in the statement of financial position.

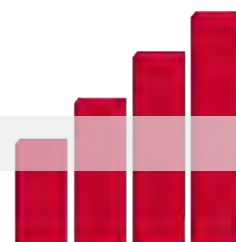
3.3 FINANCIAL ASSETS AND LIABILITIES

3.3.1 Recognition

The Group on the date of origination or purchase recognizes placements, equity securities and deposits at the fair value of consideration paid. Regular-way purchases and sales of financial assets are recognized on the settlement date. All other financial assets and liabilities, including derivatives, are initially recognized on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

3.3.2 Classification and Measurement

Initial measurement of a financial asset or liability is at fair value plus transaction costs that are directly attributable to its purchase or issuance. For instruments measured at fair value through profit or loss, transaction costs are recognized immediately in profit or loss. Financial assets include placement with banks, treasury bills and equity instruments.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Financial assets are classified into one of the following measurement categories:

1. Amortized cost
2. Fair Value through Other Comprehensive Income (FVOCI)
3. Fair Value through Profit or Loss (FVTPL) for trading related assets

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

3.3.3 Business Model Assessment

Business model assessment involves determining whether financial assets are managed in order to generate cash flows from collection of contractual cash flows, selling financial assets or both. The Group assesses business model at a portfolio level reflective of how groups of assets are managed together to achieve a particular business objective. For the assessment of business model the Group takes into consideration the following factors

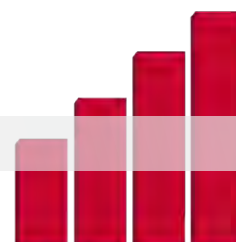
1. The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets.
2. How the performance of assets in a portfolio is evaluated and reported to Group heads and other key decision makers within the Company's business lines;
3. The risks that affect the performance of assets held within a business model and how those risks are managed;
4. How compensation is determined for the Company's business lines' management that manages the assets;
5. The frequency and volume of sales in prior periods and expectations about future sales activity.

Management determines the classification of the financial instruments at initial recognition. The business model assessment falls under three categories:

- (a) Business Model 1(BM1): Financial assets held with the sole objective to collect contractual cash flows;
- (b) Business Model 2 (BM2): Financial assets held with the objective of both collecting contractual cash flows and selling; and
- (c) Business Model 3 (BM3): Financial assets held with neither of the objectives mentioned in BM1 or BM2 above. These are basically financial assets held with the sole objective to trade and to realize fair value changes.

The Group may decide to sell financial instruments held under the BM1 category with the objective to collect contractual cash flows without necessarily changing its business model if one or more of the following conditions are met:

- (I) Where these sales are infrequent even if significant in value. A Sale of financial assets is considered infrequent if the sale is one-off during the Financial Year and/or occurs at most once during the quarter or at most three (3) times within the Financial Year.





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(II) Where these sales are insignificant in value both individually and in aggregate, even if frequent. A sale is considered insignificant if the portion of the financial assets sold is equal to or less than five (5) per cent of the carrying amount (book value) of the total assets within the business model.

(III) When these sales are made close to the maturity of the financial assets and the proceeds from the sales approximates the collection of the remaining contractual cash flows. A sale is considered to be close to maturity if the financial assets have a tenor to maturity of not more than one (1) year and/or the remaining contractual cash flows expected from the financial asset do not exceed the cash flows from the sales by ten (10) per cent.

Other reasons: The following reasons outlined below may constitute 'Other Reasons' that may necessitate selling financial assets from the BM1 category that will not constitute a change in business model:

1. Selling the financial asset to realize cash to deal with unforeseen need for liquidity (infrequent).
2. Selling the financial asset to manage credit concentration risk (infrequent)
3. Selling the financial assets as a result of changes in tax laws (infrequent).
4. Other situations also depend upon the facts and circumstances which need to be judged by the management

3.3.4 Cash flow characteristics assessment

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic investment arrangement. Contractual cash flows are consistent with a basic deposit arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Principal is defined as the fair value of the instrument at initial recognition. Principal may change over the life of the instruments due to repayments. Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin.

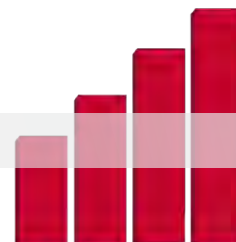
a) Financial assets measured at amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost is calculated taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate. Amortization is included in Interest income in the Consolidated Statement of Income. Impairment on financial assets measured at amortized cost is calculated using the expected credit loss approach.

Financial assets measured at amortized cost are presented net of the allowance for credit losses (ACL) in the statement of financial position

b) Financial assets measured at FVOCI

Financial assets are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows





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represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive Income (OCI).

c) Financial assets measured at FVTPL

Financial assets measured at FVTPL include assets held for trading purposes, assets held as part of a portfolio managed on a fair value basis and assets whose cash flows do not represent payments that are solely payments of principal and interest. Financial assets may also be designated at FVTPL if by so doing eliminates or significantly reduces an accounting mismatch which would otherwise arise. These instruments are measured at fair value in the Consolidated Statement of Financial Position, with transaction costs recognized immediately in the Consolidated Statement of Income.

d) Equity Instruments

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase. For equity instruments measured at FVTPL, changes in fair value are recognized in the Consolidated Statement of Income. The Company can elect to classify non-trading equity instruments at FVOCI. This election will be used for certain equity investments for strategic or longer term investment purposes. The FVOCI election is made upon initial recognition, on an instrument-by-instrument basis and once made is irrevocable. Gains and losses on these instruments including when derecognized/sold are recorded in OCI and are not subsequently reclassified to the Consolidated Statement of Income. Dividends received are recorded in Interest income in the Consolidated Statement of Income. Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the Consolidated Statement of Income on sale of the security.

Financial liabilities are classified into one of the following measurement categories:

- (a) Amortised cost
- (b) Fair Value through Profit or Loss (FVTPL)

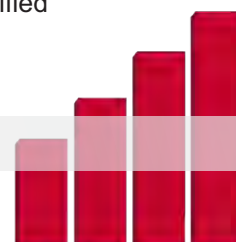
e) Financial Liabilities at fair value through profit or loss

Financial liabilities accounted for at fair value through profit or loss fall into two categories:

financial liabilities held for trading and financial liabilities designated at fair value through profit or loss on inception

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is incurred principally for the purpose of repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of shortterm profit-taking. Derivatives are also categorized as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by a short seller. Gains and losses arising from changes in fair value of financial assets are included in the income statement and are reported as 'Net gains/(losses) on financial instruments classified as held for trading. Interest expenses on financial liabilities held for trading are included in 'Net interest income'.

Financial Liabilities are designated at FVTPL when either the designation eliminates or significantly reduce an accounting mismatch which would otherwise arise or the financial liability contains one or more embedded derivatives which significantly modify the cash flows otherwise required. For liabilities designated at fair value through profit or loss, all changes in fair value are recognized in Non-interest income in the Consolidated Statement of Income, except for changes in fair value arising from changes in the Company's own credit risk which are recognized in OCI. Changes in fair value of liabilities due to changes in the Company's own credit risk, which are recognized in OCI, are not subsequently reclassified to the Consolidated Statement of Income upon derecognition / extinguishment of the liabilities





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f) Financial Liabilities at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost are debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

3.3.5 Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. A change in the Group's business model will occur only when the Group either begins or ceases to perform an activity that is significant to its operations such as:

- Significant internal restructuring or business combinations; for example an acquisition of a private asset management company that might necessitate transfer and sale of loans to willing buyers, this action will constitute changes in business model and subsequent reclassification of the Loan held from BM1 to BM2

Category

- Disposal of a business line i.e. Disposal of a business segment

Any other reason that might warrant a change in the Group's business model as determined by management based on facts and circumstances

The following are not considered to be changes in the business model:

(a) A change in intention related to particular financial assets (even in circumstances of significant changes in market conditions)

(b) A temporary disappearance of a particular market for financial assets.

(c) A transfer of financial assets between parts of the Group with different business models.

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. Reclassification is applied prospectively from the 'reclassification date'. Reclassification date is 'the first day of the first reporting period following the change in business model. For example, if the Group decides to shut down the retail business segment on 31st December 2018, the reclassification date will be 1 January, 2019 (i.e. the first day of the entity's next reporting period), the Group shall not engage in activities consistent with its former business model after 31st December, 2018. Gains, losses or interest previously recognised are not restated when reclassification occurs.

3.3.6 Impairment of Financial Assets

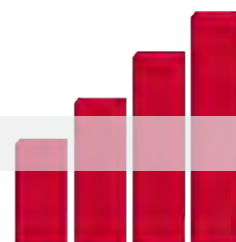
In line with IFRS 9, the Group assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

- Amortized cost financial assets; and
- Debt securities classified as at FVOCI;

Equity instruments and financial assets measured at FVTPL are not subjected to impairment under the standard.

3.3.7 Write-off

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. After a full evaluation of a non-performing exposure, in the event that either one or all of the following conditions apply, such exposure shall be recommended for write-off (either partially or in full):





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- continued contact with the customer is impossible;
- recovery cost is expected to be higher than the outstanding debt;
- amount obtained from realisation of credit collateral security leaves a balance of the debt; or
- it is reasonably determined that no further recovery on the facility is possible.

3.4 REINSURANCE RECEIVABLES

Contracts entered into by the Group with reinsurers under which the Group is compensated for losses on one or more contracts issued by the Group and that meet the classification requirements for the insurance contracts in accounting policy in IFRS 4 are classified as reinsurance contracts held. Contract that do not meet these classification requirements are classified as financial assets. Insurance contracts entered in to by the Group under which the contract holder is another insurer (inwards reinsurance) are included with insurance contracts. Reinsurance assets consist of short-term balances due from reinsurers, as well as long term receivables that are dependent on the expected claims and benefits arising under the related reinsured insurance contracts. Amounts recoverable from or due to reinsurers are measured consistently with the amounts associated with the reinsured insurance contracts and in compliance with the terms of each reinsurance contract. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised as an expense when due. The Group has the right to set-off re-insurance payables against amount due from re-insurance and brokers in line with the agreed arrangement between both parties.

The Group assesses its reinsurance assets for impairment on a yearly basis. If there is objective evidence that the reinsurance asset is impaired, the Group reduces the carrying amount of the reinsurance asset to its recoverable amount and recognises that impairment loss in the income statement. The Group gathers the objective evidence that a reinsurance asset is impaired using the same process adopted for financial assets held at amortised cost. The impairment loss is calculated using the incurred loss model for these financial assets.

(a) Receivables and Payables related to insurance contracts

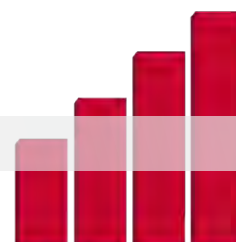
Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders. If there is objective evidence that the insurance receivable is impaired, the Group reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the income statement. The Group applied the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

3.5 DEFERRED ACQUISITION COSTS

Acquisition costs comprise all direct and indirect costs arising from the writing of non-life insurance contracts. Deferred acquisition costs represent a proportion of commission which are incurred during a financial year and are deferred to the extent that they are recoverable out of future revenue margins. It is calculated by applying to the acquisition expenses the ratio of unearned premium to written premium.

3.6 PREPAYMENTS AND OTHER RECEIVABLES

Other receivables are made up of prepayments and other amounts due from parties which are not directly linked to insurance or investment contracts, prepayments are carried at amortised cost. Other receivables are stated after deductions of amount considered bad or doubtful of recovery. When a debt is deemed not collectible, it is written-off against the related provision or directly to the profit and loss account to the extent not previously provided for. Any subsequent recovery of written-off debts is credited to the profit and loss account. Prepayments are carried at cost less amortisation and accumulated impairment losses





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3.7 INVESTMENT IN SUBSIDIARIES

In the separate financial statements of SUNU Assurances Nigeria Plc, investments in subsidiaries is accounted for at cost.

3.8 INVESTMENT PROPERTIES

Properties that are held for long-term rental yields or for capital appreciation or both and that are insignificantly occupied by the entities in the consolidated group are classified as investment properties. These properties consist of office and residential buildings. The Group considers the owner-occupied portion as insignificant when it occupies less than 20 percent. In order to determine the percentage of the portions, the Group uses the size of the property measured in square metre.

Recognition of investment properties takes place only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost can be measured reliably.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing parts of an existing investment property at the time the cost was incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market condition at the date of the consolidated statement of financial position.

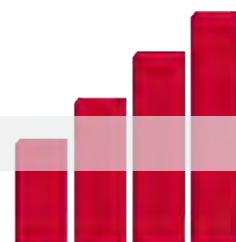
Gains or losses arising from the changes in the fair value of investment properties are included in the consolidated income statement in the year in which they arise. Subsequent expenditure is included in the assets carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the consolidated income statement during the financial period in which they are incurred. The fair value of investment property is based on the nature, location and condition of the specific asset.

Rent receivable is recognized in profit or loss and is spread on a straight-line basis over the period of the lease. Where lease incentive, such as a rent free period are given to a Lessee, the carrying value of the related investment property excludes any amount reported as a separate asset as a result of recognizing rental income on this basis.

3.9 INTANGIBLE ASSETS

(I) Software

Software acquired by the Group is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure on internally developed software is recognized as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. Development costs previously expended cannot be capitalized. The capitalized costs of internally developed software include all costs attributable to developing the software and capitalized borrowing costs and are amortized over its useful life. Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expended as incurred. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.





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The maximum useful life of software is five years. Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

(ii) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the net identifiable assets of the Company acquired at the date of acquisition. Goodwill is tested annually for impairment and carried as cost less accumulated impairment losses. Impairment losses in goodwill are not reversed.

(iii) Amortization of investment in Equity Resort Hotel Limited

The Company's investment in Equity Resort Hotel Limited will be written off over the concession period of 25 years and is tested annually for possible impairment. Profit/(loss) accruing to the Company from the operations of the Hotel will be taken into statement of profit or loss and other comprehensive income.

3.10 PROPERTY, PLANT AND EQUIPMENT

(i) Recognition and measurement

Property, plant and equipment are initially recorded at cost. Land and building are subsequently carried at revalued amount being the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are made with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Any increase in assets carrying amount, as a result of revaluation is credited to other comprehensive income and accumulated in Revaluation Surplus within Revaluation reserves in equity. The increase is recognized in profit or loss to the extent that it reverses reduction decrease of the same asset previously recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in profit or loss as incurred.

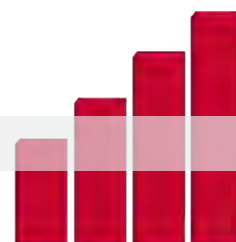
(iii) Depreciation

Depreciation is recognized in Profit or Loss and is provided on a straight-line basis over the estimated useful life of the assets. Depreciation methods, estimated useful lives and residual values are reviewed annually and adjusted when necessary. The average useful lives per class of asset are as follows:

Asset Class	Average Useful Life
Land	-
Buildings	50 years
Office equipment	5 years
Motor Vehicles	5 years
Furniture and fittings	5 years
ICT equipment	5 years
Billboard	5 years

(iv) De-recognition

An item of property and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset which is calculated as the difference between the net disposal proceeds and the carrying amount of the asset is included in profit or loss in the year the asset is derecognized.





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Land is not depreciated

3.10.1 LEASES

Leases are accounted for in accordance with IFRS 16 and are accounted for in line with the following based on whether the Group is the Lessor or the Lessee:

Land is not depreciated

(a) When the Group is the Lessee

At the commencement date, the Group recognises a right-of-use asset at cost and a lease liability, where applicable, at the present value of the lease payments that are not paid at that date. The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

After the commencement date, the Group measures the right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The Group subsequently measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The corresponding lease liabilities, where applicable, are included in other liabilities. The interest element of the lease liabilities is charged to the Income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

(b) When the Group is the Lessor

When assets are leased to a third party under finance lease terms, the present value of the lease income is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

3.10.2 IMPAIRMENT OF NON-FINANCIAL ASSETS

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be fully recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value-in-use and fair value less costs to sell, the asset is written down accordingly.

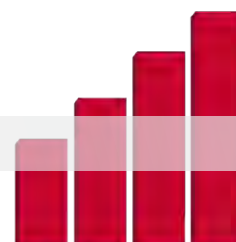
For the purpose of assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash flows. The Company has two cash-generating units for which impairment testing is performed. Impairment charges are included in profit or loss except to the extent they reverse gains previously recognized in other comprehensive income.

Goodwill and intangible assets with indefinite useful lives will be tested for impairment annually, regardless of any indicators an impairment of goodwill will not be reversed.

3.11 STATUTORY DEPOSIT

In pursuant to Section 10(3) of the Insurance Act of Nigeria 2003, every insurer is expected to deposit at least 10% of its paid up capital with the Central Bank of Nigeria (CBN). The Statutory deposit represents not less than the 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN). Statutory deposit is measured at cost





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The Statutory deposit represents not less than the 10% of the paid up capital of the Company deposited with the Central Bank of Nigeria (CBN). Statutory deposit is measured at cost.



3.12 INSURANCE CONTRACT LIABILITIES

The Group underwrites risks that individuals, corporate and other entities wish to transfer to an insurer. These risks relate to property, personal accident, motor, liability, marine and other perils which may arise from an insured event. The company is therefore exposed to uncertainty surrounding the timing, frequency and severity of claims under insurance contracts. The major risk is that the frequency and severity of claims may be greater than estimated or expected. The Group is engaged in the general and health insurance businesses and most of the risks it underwrites are insurance which claims are settled within one year of the occurrence of the events giving rise to the claims.

In accordance with IFRS 4 on insurance contracts, the Company has continued to apply certain accounting policies which are applied in accordance with pre- changeover Nigeria GAAP.

Technical Reserves

Technical Reserves are statutory amounts which are computed in accordance with the provisions of Sections 20(1) (a) of the Insurance Act of Nigeria 2003 as follows:

a) Insurance Funds

i) Reserves for unearned premium

Reserves for unearned premium is made on the basis of percentage of net premiums written on time apportionment in accordance with section 20(1) (a) of the Insurance Act of Nigeria 2003.

ii) Reserves for additional unexpired risk

A provision for additional unexpired risk reserves (AURR) is recognized for an underwriting year where it is envisaged that the estimated cost of claims and expenses would exceed the unearned premium reserve ("UPR")

iii) Reserves for outstanding claims

Reserves for outstanding claims is maintained as the total amount of outstanding claims incurred and reported plus claims incurred but not reported ("IBNR") as at the balance sheet date. The IBNR is based on the liability adequacy test.

b) Liability adequacy test

This is an assessment of whether the carrying amount of an insurance liability needs to be increased (or the carrying amount of related deferred acquisition costs or related intangible assets decreased), based on a review of future cashflows. At each reporting date the Company performs a liability adequacy test on its insurance liabilities less deferred policy acquisition expenses to ensure that the carrying amount is adequate. If the assessment shows that the carrying amount is inadequate, the deficiency is recognized in the income statement by setting up an additional provision in the statement of financial position at amortised cost. The impairment loss is calculated under the same method.

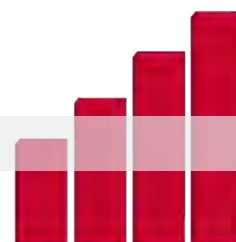
The provisions of the Insurance Act 2003 requires an actuarial valuation for life reserves only. However, IFRS 4 requires a liability adequacy test for both life and non- life insurance reserves. The provision of section 59 of the Financial Reporting Council Act of Nigeria, 2011 gives superiority to the provision of IFRS and since it results in a more conservative reserving than the provision of the Insurance Act of Nigeria, 2003, it well serves the Company's prudential concerns.

3.13 TRADE AND OTHER PAYABLES

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. The fair value of a non-interest bearing liability is its discounted repayment amount. If the due date of the liability is less than one year discounting is omitted.

3.14 BORROWINGS

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds(net of transaction costs);





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and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liabilities for at least 12 months after the date of the statement of financial position.



3.15 FAIR VALUE MEASUREMENT

When an asset or liability, financial and non-financial is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transactions between market participants at the measurement date and assumes that the transaction will take place either in the principal market or in the absence of a principal market in the most advantageous market. Fair value is measured using the assumptions that market participants would use when pricing the asset or liability assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value are used maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External Valuers are selected based on market knowledge and reputation. Where there is significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable with external sources of data.

3.16 INCOME TAX

Income tax expense comprises current and deferred tax

(i) Current income tax

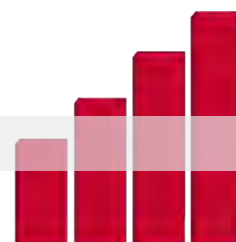
Income tax payable is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognized as an expense for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity. In these circumstances, current tax is charged or credited to other comprehensive income or to equity.

(ii) Deferred income tax

Deferred income tax amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the date of the consolidated statement of financial position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The principal temporary differences arise from depreciation of property, plant and equipment, revaluation of certain financial assets and liabilities and in relation to acquisitions on the difference between the fair values of the net assets acquired and their tax base.

However, deferred income tax is not recognized for:





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



- (a) Temporary differences arising on the initial recognition of goodwill
- (b) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.
- (c) Temporary differences related to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized when it is probable that future taxable profit will be available against which these temporary differences can be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.17 SHARE CAPITAL AND PREMIUM

Ordinary shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax. Share premium accounts for the amount the Company raises in excess of par value.

3.17.1 TREASURY SHARES

Where any member of the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable costs (net of income taxes), is deducted from equity attributable to the Company's equity holders. Where such shares are subsequently sold, reissued or otherwise disposed off, any consideration received is included in equity attributable to the Company's equity holders, net of any directly attributable incremental transaction costs and the related income tax effects.

3.17.2 DIVIDENDS

Dividends on the company's ordinary share are recognized in equity in the period in which they are approved by the company's shareholders. Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the year which the dividend is approved by the company's shareholders.

3.18 CONTINGENCY RESERVE

Contingency reserve is credited at the higher of 3% of total premiums during the year and 20% of net profit per year, until it reaches the higher of the minimum paid up capital or 50% of net premium in accordance with Section 21 (2) of the Insurance Act 2003.

3.19 ASSET REVALUATION RESERVES

When the group's land and building are revalued by independent professional valuer, surpluses arising on the revaluation of these assets are credited to the asset revaluation reserve account. When assets previously revalued are disposed off, any revaluation surplus relating to the disposed assets is transferred to retained earnings.

3.20 RETAINED EARNINGS

This represents the amount available for dividend distribution to the equity shareholders of the Company.

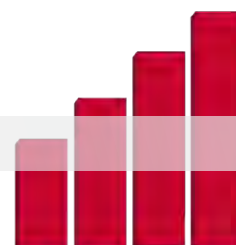
3.21 FOREIGN CURRENCY TRANSLATION

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Nigerian Naira (N), which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Foreign exchange gains and losses relating to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or finance cost'. All other foreign exchange gains and losses are presented in the income statement within 'Other operating income' or 'Other operating expenses'.

(c) Foreign Operations

The results and financial position of all the subsidiaries (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position.
- ii. Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).

All resulting exchange differences are recognised in other comprehensive income.

The group applies IAS 27- Consolidated and Separate Financial Statements in accounting for acquisitions of non-controlling interests. Under this accounting policy, acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as owners and therefore, no goodwill is recognized as a result of such transactions. The adjustments to non-controlling interests are based on the proportionate amount of the net assets of the subsidiary.

3.22 REVENUE RECOGNITION

Revenue comprises the fair value for services, net of value-added tax, after eliminating revenue within the Group. Revenue is recognized as follows:

(a) Rendering services: Revenue arising from asset management and other related services offered by the Group are recognised in the accounting period in which the services are rendered.

(b) Dividend income: Dividend income for available-for sale equities is recognised when the right to receive payment is established, this is the ex- dividend date for equity securities.

(c) Rent

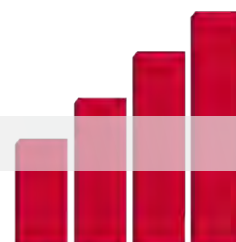
Rent revenue from investment properties is recognised on a straight line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

(d) Other income: Other income is recognised when it is received or when the right to receive payment is established.

Recognition and Measurement of Insurance Contracts

I Gross premium written

Gross premium is recognized at the point of attachment of risk to a policy before deducting cost of reinsurance cover. All written premium relating to risk for period not falling due within the accounting period is carried forward as an unearned premium.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)

ii Gross premium earned

Gross premium earned is stated at premium written on direct and indirect business after deducting premium relating to unexpired risks which is determined on time apportionment basis.

iii Net premium earned

Net premium represents total amount invoiced to policy holders less reinsurance and is recognized as an income from the date of attachment of risk.

iv Reinsurance premium

The Group cedes reinsurance in the normal course of business with retention limits varying by line of business for the purpose of limiting its net loss potential. Reinsurance arrangements however do not relieve the Company from its direct obligation to its policy holders. This is recognized as an expense or deduction from the gross premium and it relates to premium on business ceded on treaty and facultative and is recognized on part apportionment basis.

3.23 REINSURANCE EXPENSES

Reinsurance cost represents outward premium paid to reinsurance companies less the unexpired portion as at the end of the accounting year.

3.24 COMMISSION INCOME

Commissions earned are recognized on ceding businesses to the reinsurers and other insurance companies and are credited to the income statement.

3.25 CLAIMS AND LOSS ADJUSTMENT EXPENSES

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders or third parties damaged by the contract holders. They include direct and indirect claim settlement costs and arise from events that have occurred up to the end of the reporting period even if they have not yet been reported to the Group. The Group does not discount its liabilities for unpaid claims.

Liabilities for unpaid claim are estimated using the input of assessments for individual cases reported to the Group and statistical analyses for the claims incurred but not reported, and to estimate the expected ultimate cost of more complex claims that may be affected by external factors (such as court decisions).

(a) Salvages

Some non-life insurance contracts permit the Group to sell (usually damaged) property acquired in the process of settling a claim.

The Group may also have the right to pursue third parties for payment of some or all costs of damages to its clients property (i.e. subrogation right). Salvage recoveries are used to reduce the claim expenses when the claim is settled.

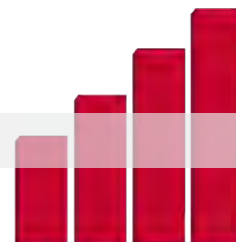
3.26 UNDERWRITING EXPENSES

Underwriting expenses comprise acquisition costs and other underwriting expenses. Acquisition costs comprise all direct and indirect costs arising from the writing of insurance contracts. Examples of these costs include, but are not limited to, commission expense, supervisory levy, superintending fees and other technical expenses. Other underwriting expenses are those incurred in servicing existing policies/contract.

(a) Commission expenses

Commission expenses are brokerage fees paid to brokers and agents which are certain percentages based on the class of business underwritten as below:

Class of business	%
Motor	12.5
General Accident	20
Oil & gas	20
Marine	20
Engineering	20
Bond	20
Fire	20





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



(b) Maintenance expenses

Maintenance expenses are expenses incurred in servicing existing policies/contract. These expenses are charged to the revenue account in the accounting period in which they are incurred.

3.27 EMPLOYEE BENEFIT EXPENSES

(a) Defined contribution plans

The Group operates a defined contributory pension scheme for eligible employees. Employees contribute 8% and the Group contribute 10% of the qualifying staff's salary in line with the provisions of the Pension Reform Act 2014. The Group pays contributions to pension fund administrator on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Short-term benefits

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are recognised as employee benefit expense and accrued when the associated services are rendered by the employees of the Group.

3.28 OTHER OPERATING EXPENSES

Other expenses are expenses other than claims, investment expenses, employee benefit, expenses for marketing and administration and underwriting expenses. They include rents, professional fee, depreciation expenses and other non-operating expenses. Other operating expenses are accounted for on accrual basis and recognised in the income statement upon utilization of the service or at the date of their origin.

3.29 INTEREST INCOME AND EXPENSES

Interest income and expenses for all interest bearing financial instruments including financial instruments measured at fair value through profit or loss, are recognised within investment income and finance cost in the income statement using the effective interest rate method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

3.30 EARNINGS PER SHARE

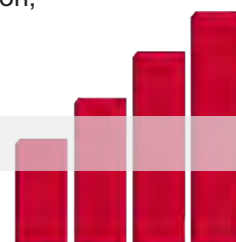
The group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period excluding treasury shares held by the Group. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.31 SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it can earn and incur expenses, including revenues and expenses that relate to transaction with any of the Group's other components, whose revenues and operating results are reviewed regularly by Executive Management to make decisions about the resources allocated to each segment and assess its performance, and for which discrete financial information is available. All costs that are directly traceable to the operating segments are allocated to the segment concerned while indirect costs are allocated based on the benefits derived from such costs.

3.32 CONTINGENT LIABILITIES

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or the Group has a present obligation as a result of past events which is not recognised because it is not probable that an outflow of resources will be required to settle the obligation;





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2021 (CONT'D)



; or the amount cannot be reliably estimated. Contingent liabilities normally comprise of illegal claims under arbitration or court process in respect of which a liability is not likely to crystallise.

3.33 PROVISIONS

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and , where appropriate, the risks specific to the liability.

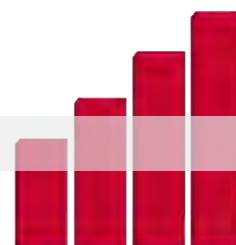
Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision. Provisions are not recognised for future operating losses. If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least: - the business or part of a business concerned;
- the principal locations affected;
- the location, function, and approximate number of employees who will be compensated for terminating their services;
- the expenditures that will be undertaken;
- and when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

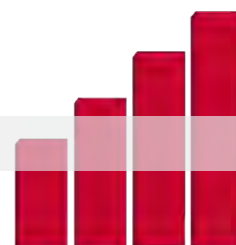
After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision;
- and the amount initially recognised less cumulative amortization. Contingent assets and contingent liabilities are not recognised.





FINANCIAL STATEMENTS





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES


COMPANIES STATEMENT OF FINANCIAL POSITION


AS AT 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)

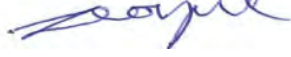


	NOTES	Group 2021	Group 2020	Company 2021	Company 2020
ASSETS					
Cash and cash equivalents	6	3,108,858	3,369,342	2,890,949	3,121,509
Financial assets					
- At fair value through profit or loss	7.1	98,437	92,777	40,465	42,688
- At fair value through Other Comprehensive Income	7.2	1,483	1,931	1,483	1,931
- At Amortized Cost	7.3	209,071	2,793,934	209,071	2,793,934
Trade receivables	8	530,496	323,392	5,205	17,424
Reinsurance receivables	9	1,730,084	1,111,294	1,730,084	1,111,294
Deferred acquisition costs	10	224,803	157,227	224,803	157,227
Prepayments and other receivables	11	698,421	620,183	443,500	474,268
Investment in subsidiaries	12	-	-	677,045	669,085
Investment properties	13	403,491	397,901	347,590	342,000
Intangible assets	14	654,740	684,326	617,005	663,244
Property, plant and equipment	15	3,930,933	860,824	3,429,197	362,811
Statutory deposit	16	315,000	315,000	315,000	315,000
Total assets		11,905,817	10,728,131	10,931,398	10,072,415
Liabilities					
Insurance contract liabilities	17	3,460,109	2,584,605	3,460,109	2,584,605
Trade payables	18	163,682	164,785	163,682	147,452
Other payables	19	723,559	618,445	460,352	593,455
Deposit for shares	20	-	3,010,800	-	3,010,800
Borrowings	21	-	-	-	-
Income tax liabilities	22	110,054	55,904	76,078	26,514
Deferred tax	23	119,790	91,038	48,851	48,994
Total liabilities		4,577,194	6,525,577	4,209,072	6,411,820
EQUITY					
Paid up share capital	24	2,905,400	1,400,000	2,905,400	1,400,000
Share premium	25	2,453,326	1,023,465	2,453,326	1,023,465
Contingency reserves	26	1,258,875	1,112,741	1,258,875	1,112,741
Revaluation reserves	27	63,089	63,089	63,089	63,089
Fair value reserve	28	(282)	22	(282)	22
Retained earnings	29	385,485	361,447	41,919	61,279
		7,065,893	3,960,764	6,722,327	3,660,595
Non controlling interest	30	262,730	241,791	-	-
Total equity		7,328,623	4,202,555	6,722,327	3,660,595
Total liabilities and equity		11,905,817	10,728,131	10,931,398	10,072,415

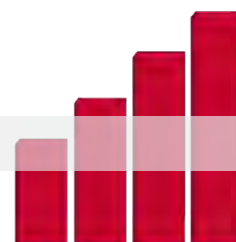
The financial statements and notes on pages 76 to 137 were approved by the Board of Directors on 25th February 2022 and signed on its behalf by:


Mr. Kyari Bukar
 FRC/2013/IODN/00000002050
 Chairman


Mr. Samuel Ogbodu
 FRC/2013/CIIN/00000002970
 Managing Director/CEO


Mr. Theophilus Iyile
 FRC/2013/ICAN/00000002323
 Acting Chief Financial Officer

The accounting policies on pages 52 to 74 and notes on pages 83 to 137 form an integral part of these financial statements.

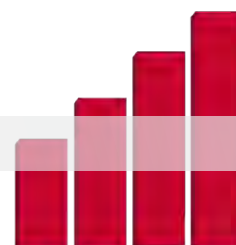




SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021
(IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)



	NOTES	Group 2021	Group 2020	Company 2021	Company 2020
Gross premium written	32	6,146,093	4,208,976	4,871,144	3,270,464
Gross premium income	32	5,791,632	4,017,852	4,516,683	3,085,351
Re-insurance expenses	33	(1,329,275)	(928,005)	(1,329,275)	(928,005)
Net premium income	32	4,462,357	3,089,847	3,187,408	2,157,346
Commission income	34	217,364	155,810	217,364	155,810
Net underwriting income		4,679,721	3,245,657	3,404,772	2,313,156
Claims:					
Claims expenses (Gross)	35	3,069,972	1,221,617	2,570,102	861,785
Claims expenses recovered from reinsurers	35	(1,711,423)	(469,178)	(1,711,423)	(469,178)
Claims expenses (Net)	35	1,358,549	752,439	858,679	392,607
Underwriting expenses	36	1,136,029	857,341	1,065,691	766,084
Total underwriting expenses		2,494,578	1,609,780	1,924,370	1,158,691
Underwriting profit /(loss)		2,185,143	1,635,877	1,480,402	1,154,465
Net income from non-insurance subsidiaries	37	1,715	18,492	-	-
Investment income	38	247,286	345,557	222,160	321,953
Net realised gains/(loss) on assets	39	-	1,332	-	1,332
Net realised gains/(loss) on FA through profit & loss	7.1.1	(375)	-	(375)	-
Realised gains/loss on FA at Amortized Cost	7.3.1	(316)	-	(316)	-
Profit /(loss) from concessionary arrangement	11.2	11,543	(23,490)	11,543	(23,490)
Net fair value gain on Investment properties	13	-	7,550	-	6,000
Net fair value gain/(loss) on financial assets	40	6,197	12,934	5,989	7,464
Other operating income	41	251,859	183,109	244,735	178,533
Employee benefit expenses	49.2	(685,571)	(633,055)	(400,327)	(377,725)
Impairment loss	42	(93,604)	(67,174)	(92,517)	(59,685)
Other operating expenses	43	(1,435,715)	(1,146,048)	(1,146,534)	(971,949)
Results of operating activities		488,162	335,084	324,760	236,898
Finance costs	44	-	(21,673)	-	(21,673)
Profit/(Loss) before tax		488,162	313,411	324,760	215,225
Income tax expense	22.1 & 23	(254,612)	(75,473)	(197,986)	(34,045)
Profit/(loss) for the year		233,550	237,938	126,775	181,180
Profit attributable to:					
Owners of the parent		198,733	221,119	126,775	181,180
Non-controlling interests	30	34,817	16,819	-	-
		233,550	237,938	126,775	181,180
Other comprehensive income:					
Items within OCI that may be reclassified to profit or loss					
Loss on available for sale financial assets	28	(304)	-	(304)	-
Items within OCI that may not be reclassified to profit or loss					
Gain on financial asset @ Fair value thru OCI	28	-	-	-	-
Other comprehensive income for the year		(304)	-	(304)	-
Total comprehensive income for the year		233,246	237,938	126,471	181,180

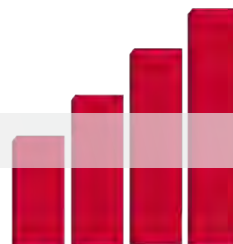




**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021
(IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)**

	NOTES	Group 2021	Group 2020	Company 2021	Company 2020
Attributable to:					
Owners of the parent		198,429	221,119	126,471	181,180
Non-controlling interests		34,817	16,819	-	-
Total comprehensive income/(loss) for the year		233,246	237,938	126,471	181,180
Profit/(loss) per share:					
Basic Profit/(loss) per share	46	4.0	7.9	2.2	6.5
Diluted Profit/(loss) per share	46	4.0	7.9	2.2	6.5

The accounting policies on pages 52 to 74 and notes on pages 83 to 137 form an integral part of these financial statements.



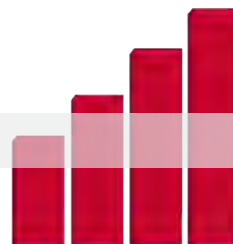


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)

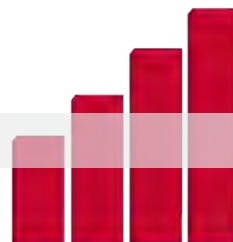
Group	Share capital	Share premium	Revaluation reserves	Fair value reserve	Contingency reserves	Retained Earnings	Total	Non-Controlling interest	Total Equity
Balance at 1 January 2021	1,400,000	1,023,465	63,089	22	1,112,741	361,447	3,960,764	241,791	4,202,555
Total Comprehensive income for the year									
Profit/(loss) for the year	-	-	-	-	-	198,733	198,733	34,817	233,550
Transfer to contingency reserves	-	-	-	-	146,134	(146,134)	-	-	-
Other comprehensive income:									
Loss on fair value thru OCI financial assets	-	-	-	(304)	-	-	(304)	-	(304)
Total comprehensive income for the year	-	-	-	(304)	146,134	52,599	198,429	34,817	233,246
Transactions with owners, recorded directly in equity contributions by and distributions to owners									
Increase in share capital & share premium	1,505,400	1,505,400	-	-	-	-	3,010,800	-	3,010,800
Dividend	-	-	-	-	-	(28,561)	(28,561)	(13,878)	(42,439)
Private placement costs	-	(75,539)	-	-	-	-	(75,539)	-	(75,539)
Total transactions with owners	1,505,400	1,429,861	-	-	-	(28,561)	2,906,700	(13,878)	2,892,822
Balance at 31 December, 2021	2,905,400	2,453,326	63,089	(282)	1,258,875	385,485	7,065,893	262,730	7,328,623





**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021
(IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)**

Group	Share capital	Share premium	Revaluation reserves	Fair Value Reserve	Contingency reserves	Retained Earnings	Total	Non-Controlling interest	Total Equity
Balance at 1 January 2020	7,000,000	1,023,465	63,089	22	1,014,627	(5,348,715)	3,752,488	242,811	3,995,299
Total Comprehensive income for the year									
Profit for the year	-	-	-	-	-	221,119	221,119	16,819	237,938
Transfer to contingency reserves	-	-	-	-	98,114	(98,114)	-	-	-
Other comprehensive income:									
Gain on fair value thru OCI financial assets	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	98,114	123,005	221,119	16,819	237,938
Transactions with owners, recorded directly in equity contributions by and distributions to owners									
Transfer from NCI due to acquisition of additional shares in Sunu Health Nig Ltd								(9,462)	(9,462)
Transfer to retained earnings due to additional shares acquired in Sunu Health						1,039	1,039	(1,039)	
Dividend paid to Equity holders						(13,882)	(13,882)	(7,338)	(21,220)
Transfer to retained earnings	(5,600,000)	-	-	-	-	5,600,000	-	-	-
Total transactions with owners	(5,600,000)	-	-	-	-	5,587,157	(12,843)	(17,839)	(30,682)
Balance at 31 December 2020	1,400,000	1,023,465	63,089	22	1,112,741	361,447	3,960,764	241,791	4,202,555





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

STATEMENT OF CHANGES IN EQUITY

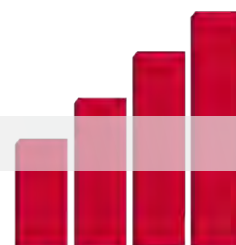
FOR THE YEAR ENDED 31 DECEMBER 2021

(IN THOUSAND OF NIGERIAN NAIRA UNLESS OTHERWISE STATED)



Company	Share capital	Share premium	Fair Value reserves	Revaluation reserves	Contingency reserves	Retained Earnings	Total
Balance at 1 January 2021	1,400,000	1,023,465	22	63,089	1,112,741	61,278	3,660,595
Total Comprehensive income for the period							
Profit for the period	-	-	-	-	-	126,775	126,775
Transfer to contingency reserves	-	-	-	-	146,134	(146,134)	-
Other comprehensive income:							
Fair value adjustment	-	-	(304)	-	-	-	(304)
Total comprehensive income for the period	-	-	(304)	-	146,134	(19,360)	126,471
Transactions with owners, recorded directly in equity contributions by and distributions to owners							
Increase in share capital and share premium	1,505,400	1,505,400	-	-	-	-	3,010,800
Less: Cost Of Private Placement	-	(75,539)	-	-	-	-	(75,539)
Total transactions with owners	1,505,400	1,429,861	-	-	-	-	2,935,261
Balance at 31 December 2021	2,905,400	2,453,326	(282)	63,089	1,258,875	41,919	6,722,327
Balance at 1 January 2020	7,000,000	1,023,465	22	63,089	1,014,627	(5,621,788)	3,479,415
Total Comprehensive income for the period							
Profit for the period	-	-	-	-	-	181,180	181,180
Transfer to contingency reserves	-	-	-	-	98,113.92	(98,114)	-
Other comprehensive income:							
Fair value adjustment	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	98,114	83,066	181,180
Transactions with owners, recorded directly in equity contributions by and distributions to owners							
Transfer to Retained earnings	(5,600,000)	-	-	-	-	5,600,000	-
Total transactions with owners	(5,600,000)	-	-	-	-	5,600,000	-
Balance at 31 December 2020	1,400,000	1,023,465	22	63,089	1,112,741	61,279	3,660,595

The accounting policies on pages 52 to 74 and notes on pages 83 to 137 form an integral part of these financial statements.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

STATEMENT OF CASH FLOWS

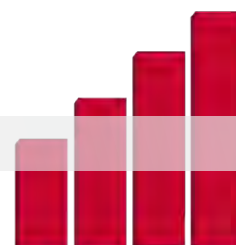
FOR THE YEAR ENDED 31 DECEMBER 2021

(IN THOUSAND OF NIGERIAN NAIRA)



	NOTES	Group 2021	Group 2020	Company 2021	Company 2020
Premium received from policy holders		6,017,389	4,034,364	4,742,440	3,259,018
Deposit for premium		120,636	140,923	120,636	140,923
Commission received		228,976	159,218	228,976	159,218
Receipt from reinsurance recovery	9.4	1,179,744	690,751	1,179,744	690,751
Claims paid	35	(2,565,536)	(1,705,204)	(2,065,666)	(1,345,372)
Commission paid	18.1	(919,483)	(728,883)	(918,071)	(680,912)
Maintenance cost	36	(285,730)	(172,049)	(215,392)	(124,854)
Reinsurance premium paid		(1,490,570)	(998,355)	(1,490,570)	(998,355)
Other operating income		150,421	33,275	144,356	30,102
Operating costs and payment to employees		(2,005,098)	(1,835,044)	(1,362,769)	(1,064,965)
Tax paid	22	(169,507)	(21,398)	(148,422)	(16,625)
Net cash inflow/ (outflow) from operating activities	47	261,242	(402,402)	215,262	48,929
Cash flows from investing activities					
Additions to investment in subsidiaries	12	-	-	(7,960)	(9,461)
Additions to investment properties		(5,590)	-	(5,590)	-
Additions to Intangible assets	14	(32,409)	(14,375)	(2,875)	-
Rental income	38	16,513	13,853	7,800	7,042
Interest income received		205,192		192,233	
Purchase of financial assets at fair value through profit or loss	7.1	(7,675)			
Proceeds from disposal of financial assets at fair value through profit & loss	7.1.1	7,837	7,500	7,837	7,500
Addition to Financial assets at amortised costs	7.3	(209,112)		(209,112)	
Disposal of Financial assets at amortised costs	7.3	2,793,975	1,032,754	2,793,975	750,586
Dividend received	38	30,487	19,077	26,964	15,989
Proceeds from disposal of property plant and equipment	15.1.1 & 15.2	10,986	1,403	5,656	-
Additions to property, plant and equipment	15.1	(3,227,830)	(36,703)	(3,179,211)	(14,413)
Net cash (outflow)/inflow from investing activities		(417,626)	1,023,509	(370,283)	757,243
Cash flows from financing activities					
Cost of private placement		(75,539)		(75,539)	
Deposit/(refund) for deposit for shares	20	-	(5,825)	-	-
Repayment of borrowings	21	-	-	-	-
Dividend paid		(28,561)	(21,220)	-	-
Net cash inflow from financing activities		(104,100)	(27,045)	(75,539)	-
Net (decrease)/increase in cash and cash equivalents		(260,484)	594,062	(230,560)	806,172
Cash and cash equivalents brought forward		3,369,342	2,775,280	3,121,509	2,315,337
Cash and cash equivalents carried forward	6.1	3,108,858	3,369,342	2,890,949	3,121,509

The accounting policies on pages 52 to 74 and notes on pages 83 to 137 form an integral part of these financial statements.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and Judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Provision for unpaid claims

Liabilities for unpaid claims are estimated on case by case basis. The reserves made for claims fluctuate based on the nature and severity on the claim reported. Claims incurred but not reported are determined using statistical analysis.

Impairment of financial assets

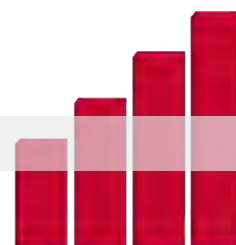
The Group determines that financial assets are impaired when there has been a significant or prolonged decline in fair value below its cost. The determination of what is significant or prolonged requires judgment. In making this judgment the Group considers among other factors, the normal volatility in market price, the financial health of the investee, industry and sector performance, changes in technology and operational and financing cashflow. In this respect, a decline of 20% or more is regarded as significant and a period of twelve months or longer is considered to be prolonged. If any such quantitative evidence exists for financial assets, the asset is considered for impairment, taking qualitative evidence into account.

Income taxes

The Company periodically assesses its liability and contingencies related taxes for all years open to audit based on the latest information available. where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes that they have adequately provided for the probable outcome of these matters; however, the final outcome may result in materially different outcome than the amount included in the tax liabilities.

Fair value of investments not quoted in an active market

The fair value of securities that are not quoted in an active market is determined by using valuation techniques, primarily earning multiples, discounted cash flows and recent comparable transactions.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



5.0 MANAGEMENT OF INSURANCE AND FINANCIAL RISK

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarizes these risks and the way the Group manages them.

5.1 Insurance Risk

The risk in any Insurance contract is the possibility that the insured event occurs which could result in a claim. This risk is very random and unpredictable.

The principal risk that the Group faces under its insurance contracts is that the actual claims and benefits payments exceed the carrying amount of the insurance liabilities. This could occur because the frequency or severity of claims and benefits are greater than estimated. Insurance events are random, and the actual number and amounts of claims and benefits will vary from year to year from the level established using statistical techniques.

The Group issues contracts that transfer insurance risk or financial risk or both. This section summarizes these risks and the way the Group manages them. The Group has developed its insurance underwriting strategy to diversify the type of Insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome.

Insurance risk is increased by the lack of risk diversification in terms of type and amount of risk, geographical location and type of industry covered.

(a) *Frequency and severity of claims*

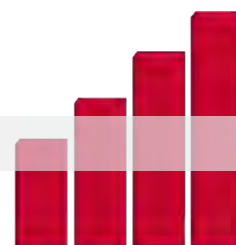
The frequency and severity of claims can be affected by several factors. The most significant are the increasing level of awards for the damages suffered as a result of road accidents. The Group manages these risks through its underwriting strategy, adequate reinsurance arrangements and proactive claims handling. Underwriting limits are in place to enforce appropriate risk selection criteria. For example, the Group has the right to renew individual policies, it can impose excess or deductibles and it has the right to reject the payment of fraudulent claim. Insurance contracts also entitle the Group to pursue third parties for payment of some or all costs. The reinsurance arrangements include excess and proportional coverage. The effect of such reinsurance arrangements is that the Group should not suffer total loss.

The Group has a specialized claims unit that ensures mitigation of the risks surrounding all known claims. This unit investigates and adjusts all claims in conjunction with appointed loss adjusters. The Group actively manages and pursues early settlements of claims to reduce its exposure to unpredictable developments.

Management assesses risk concentration per class of business. The concentration of insurance risk before and after reinsurance by class in relation to the type of insurance risk accepted is summarized below, with reference to the carrying amount of the insurance liabilities(gross and net reinsurance) arising from non-life insurance.

(b) *Sources of uncertainty in the estimation of future claims payments*

Claims on non-life insurance contracts are payable on a claims-occurrence basis. The Group is liable for all insured claims that occur during the term of the contract. There are several variables that affect the amount and timing of cash flows from these contracts.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



These mainly relate to the inherent risks of the business activities carried out by individual contract holders and risk management procedures adopted.

The estimated cost of claims includes direct expenses to be incurred in settling claims, net of the expected subrogation value and other recoveries. The Group takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. However, given the uncertainty in establishing claims provisions it is likely that the final outcome will prove to be different from the original liability established. The reserves held for these contracts comprises provision for IBNR, a provision for reported claims not yet paid and a provision for unearned premiums at the end of the reporting period.

(c) Process used to decide on assumptions

For non-life insurance risks, the Group uses different methods to incorporate the various assumptions made in order to estimate the ultimate cost of claims. The two methods used are Basic Chain Ladder and the Inflation Adjusted Chain Ladder methods.

Claims data was grouped into triangles by accident year or quarter and payment year or quarter. The choice between quarters or years was based on the volume of data in each segment. The claims paid data was sub-divided into large and attritional claims. Large claims were projected separately as they can significantly distort patterns. Where there was insufficient claim data, large and attritional claims were projected together as removing large claims would reduce the volume of data in the triangles and compromise the credibility.

Basic Chain Ladder method (BCL)

Development factors were calculated using the last 5 years of data by accident year or quarter. Ultimate development factors are calculated for each of the permutations and the most prudent result is selected.

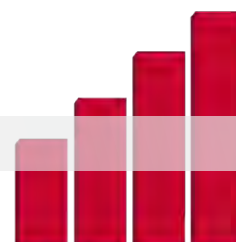
Ultimate development factors are applied to the paid per accident year or quarter and an ultimate claim amount is calculated. The future claims (the ultimate amount less paid claims to date) are allocated to future payment periods in line with the development patterns calculated above. The outstanding claims reported to date are then subtracted from the total future claims to give the resulting IBNR figure per accident year or quarter.

For cases where there were large losses that had been reported but not paid, and therefore would not have influenced the development patterns, the total cash reserve were excluded from the calculation of the IBNR.

i.e IBNR= Ultimate claim amount (excl. extreme large losses) Minus paid claims to date Minus claims outstanding(excl. extreme large losses)

Assumptions underlying the BCL

The Basic Chain Ladder Method assumes that the past experience is indicative of future experience i.e that claims recorded to date will continue to develop in a similar manner in the future. An implicit assumption is that, for an immature accident year, the claims observed thus far tell you something about the claims yet to be observed. A further assumption is that it assumes consistent claim processing, a stable mix of types of claims, stable inflation and stable policy limits. If any of these assumptions are invalidated, the results of the reserving may prove to be inaccurate.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



Inflation Adjusted Chain Ladder method (IACL)

Under this method, the historical paid losses are inflated using the corresponding inflation index in each of the accident years to the year of valuation and accumulated to their ultimate values for each accident year to obtain the projected outstanding claims. These projected outstanding by the future claims are further multiplied by inflation index from the year of valuation to the future year of payment of the outstanding claims. Past official inflation index and 12% p.a for the future are adopted.

Assumptions underlying the IACL

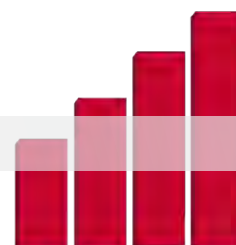
The IACL anticipates that total claims may be exposed to inflationary increase and it further recognises that present value needs to be reserved for total payments. Unearned premium provision was calculated using a time- apportionment basis, in particular, the 365ths method. The same approach was taken for deferred acquisition costs as for the calculation of the UPR balance.

d) Change in assumptions and sensitivity analysis

There was no change in the assumptions used to estimate the ultimate cost of claims paid during the year.

(e) Sensitivity analysis and claims development tables

Sensitivity analysis are performed to test the variability around the reserves that are calculated at a best estimate level. The estimated claim amounts can never be an exact forecast of the future claim amounts and therefore looking at how these claim amount can vary could provide valuable information for business planning and risk appetite considerations.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



Claims Paid Triangulations as at December 2021

Accident											
Incremental Chain ladder - Yearly Projections (N'000)											
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	25,910	56,204	19,302	3,099	4,620	10	26	-	-	-	-
2008	9,623	57,322	11,343	9,534	3,484	2,062	861	-	-	-	-
2009	36,290	77,255	50,883	6,339	7,871	580	2,421	239	513	-	-
2010	33,918	98,868	39,340	18,228	15,895	1,115	2,846	385	-	60	-
2011	36,389	49,219	23,054	6,801	3,852	1,188	901	117	1,427	-	-
2012	26,196	51,875	34,616	3,493	3,272	418	609	11	-	-	-
2013	26,574	39,254	29,256	2,559	5,656	1,169	574	-	420	-	-
2014	30,145	59,724	35,702	4,979	4,949	50	-	-	-	-	-
2015	28,898	39,053	20,143	6,484	1,117	1,349	717	-	-	-	-
2016	26,816	38,833	4,217	3,806	154	-	-	-	-	-	-
2017	49,617	34,857	5,944	2,703	356	-	-	-	-	-	-
2018	45,956	36,995	9,533	6,040	-	-	-	-	-	-	-
2019	32,765	26,026	6,627	-	-	-	-	-	-	-	-
2020	34,072	58,086	-	-	-	-	-	-	-	-	-
2021	93,546	-	-	-	-	-	-	-	-	-	-

Fire											
Cumulative Chain ladder- Yearly Projections (N'000)											
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	15,858	53,230	22,484	2,780	1,109	428	-	-	-	-	-
2008	34,928	10,279	7,754	19,838	728	38	10	93	-	85	-
2009	10,289	16,133	11,202	15,851	14,051	5,402	-	-	545	-	-
2010	51,416	49,920	19,577	1,192	357	-	-	224	-	-	-
2011	16,632	99,883	11,228	5,028	585	-	110	-	-	-	-
2012	18,427	29,550	18,149	2,057	1,764	22	136	-	-	-	-
2013	52,030	35,454	28,449	9,643	129	-	412	-	-	-	-
2014	16,357	24,014	26,465	4,699	311	24	-	-	-	-	-
2015	19,372	57,075	14,966	9,406	7,785	2,654	4,425	-	-	-	-
2016	37,925	59,091	33,746	32,584	8,187	18,599	-	-	-	-	-
2017	21,813	35,491	27,224	53,522	25,989	-	-	-	-	-	-
2018	29,767	34,497	636	1,598	-	-	-	-	-	-	-
2019	36,721	24,890	36,603	-	-	-	-	-	-	-	-
2020	73,708	118,174	-	-	-	-	-	-	-	-	-
2021	79,506	-	-	-	-	-	-	-	-	-	-

Engineering											
Incremental Chain ladder-Yearly Projections (N'000)											
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	-	-	-	555	-	-	-	-	-	-	-
2008	-	-	6,501	97	-	14	-	-	-	-	-
2009	-	6,209	576	728	-	12	76	-	-	-	-
2010	1,188	11,840	3,052	87	-	-	-	495	-	-	-
2011	1,083	2,620	5,696	1,606	565	2,183	-	-	-	-	-
2012	4,259	1,549	1,915	-	-	-	-	-	-	-	-
2013	7,354	3,646	668	-	-	-	-	-	-	-	-
2014	6,631	12,113	2,143	-	-	-	-	-	-	-	-
2015	2,507	11,611	26	-	15	-	-	-	-	-	-
2016	2,617	1,456	664	2,941	9	-	-	-	-	-	-
2017	4,573	3,465	1,355	373	-	-	-	-	-	-	-
2018	5,129	1,746	738	718	-	-	-	-	-	-	-
2019	4,009	27,060	379	-	-	-	-	-	-	-	-
2020	13,717	10,346	-	-	-	-	-	-	-	-	-
2021	2,254	-	-	-	-	-	-	-	-	-	-

Marine											
Incremental Chain ladder-Yearly Projections (N'000)											
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	403	7,029	7,210	3,014	20	17	-	-	-	-	-
2008	2,709	3,005	1,602	1,210	512	1,543	-	-	-	-	-
2009	278	4,668	4,895	2,824	-	-	-	-	-	-	-
2010	8,478	9,134	1,577	1,105	-	293	-	335	-	-	-
2011	4,710	6,144	4,272	5,230	-	-	-	-	-	-	-
2012	4,971	15,644	1,161	95	-	-	-	-	-	-	-
2013	8,740	10,445	57	43	7	-	-	-	-	-	-
2014	14,785	30,078	5,940	-	-	-	-	-	-	-	-
2015	19,223	21,068	-	33	-	-	-	-	-	-	-
2016	13,110	19,537	4,434	5,840	-	-	-	-	-	-	-
2017	15,221	42,517	5,623	1,369	-	-	-	-	-	-	-
2018	6,011	17,127	7,194	745	-	-	-	-	-	-	-
2019	15,961	16,968	3,535	-	-	-	-	-	-	-	-
2020	3,058	14,744	-	-	-	-	-	-	-	-	-
2021	27,831	-	-	-	-	-	-	-	-	-	-

Motor											
Incremental Chain ladder-Yearly Projections (N'000)											
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	69,042	93,856	7,781	1,934	1,692	-	-	-	-	-	-
2008	123,217	121,480	6,112	756	165	28	-	-	-	-	-
2009	109,488	127,883	22,372	3,025	286	-	338	82	969	-	-
2010	90,318	103,367	3,884	3,609	206	512	-	2,255	-	-	-
2011	78,170	63,272	13,635	2,267	25	-	-	-	-	-	-
2012	110,916	101,782	4,218	19	-	-	-	-	-	-	-
2013	123,427	86,868	1,347	5,135	98	2,598	-	-	-	-	-
2014	225,537	155,085	21,615	1,554	-	-	-	-	-	-	-
2015	120,490	98,077	6,211	1,475	-	-	-	-	-	-	-
2016	89,199	69,427	9,149	-	-	-	-	-	-	-	-
2017	71,887	33,132	550	-	-	-	-	-	-	-	-
2018	105,956	31,878	2,767	330	-	-	-	-	-	-	-
2019	92,870	18,179	79	-	-	-	-	-	-	-	-
2020	136,513	60,182	-	-	-	-	-	-	-	-	-
2021	187,339	-	-	-	-	-	-	-	-	-	-



SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



Claims Paid Triangulations as at December 2020

Accident	Incremental Chain ladder - Yearly Projections (N'000)										
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	25,910	56,204	19,302	3,099	4,620	10	26	-	-	-	-
2008	9,623	57,322	11,343	9,534	3,484	2,062	861	-	-	-	-
2009	36,290	77,255	50,883	6,339	7,871	580	2,421	239	513	-	-
2010	33,918	98,868	39,340	18,228	15,895	1,115	2,846	385	-	60	-
2011	36,389	49,219	23,054	6,801	3,852	1,188	901	117	1,427	-	-
2012	26,196	51,875	34,616	3,493	3,272	418	609	11	-	-	-
2013	26,574	39,254	29,256	2,559	5,656	1,169	574	-	-	-	-
2014	30,145	59,724	35,702	4,979	4,949	50	-	-	-	-	-
2015	28,898	39,053	20,143	6,484	1,117	1,349	-	-	-	-	-
2016	26,816	38,833	4,217	3,806	154	-	-	-	-	-	-
2017	49,617	34,857	5,944	2,703	-	-	-	-	-	-	-
2018	45,956	36,995	9,533	-	-	-	-	-	-	-	-
2019	32,765	26,026	-	-	-	-	-	-	-	-	-
2020	34,072	-	-	-	-	-	-	-	-	-	-

Fire	Cumulative Chain ladder- Yearly Projections (N'000)										
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	15,858	53,230	22,484	2,780	1,109	428	-	-	-	-	-
2008	34,928	10,279	7,754	19,838	728	38	10	93	-	-	-
2009	10,289	16,133	11,202	15,851	14,051	5,402	-	-	545	-	-
2010	51,416	49,920	19,577	1,192	357	-	-	224	-	-	-
2011	16,632	99,883	11,228	5,028	585	-	110	-	-	-	-
2012	18,427	29,550	18,149	2,057	1,764	22	136	-	-	-	-
2013	52,030	35,454	28,449	9,643	129	-	412	-	-	-	-
2014	16,357	24,014	26,465	4,699	311	24	-	-	-	-	-
2015	19,372	57,075	14,966	9,406	7,785	2,654	-	-	-	-	-
2016	37,925	59,091	33,746	32,584	8,187	-	-	-	-	-	-
2017	21,813	35,491	27,224	53,522	-	-	-	-	-	-	-
2018	29,767	34,497	636	-	-	-	-	-	-	-	-
2019	36,721	24,890	-	-	-	-	-	-	-	-	-
2020	73,708	-	-	-	-	-	-	-	-	-	-

Engineering	Incremental Chain ladder-Yearly Projections (N'000)										
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	-	-	-	555	-	-	-	-	-	-	-
2008	-	-	6,501	97	-	14	-	-	-	-	-
2009	-	6,209	576	728	-	12	76	-	-	-	-
2010	1,188	11,840	3,052	87	-	-	-	495	-	-	-
2011	1,083	2,620	5,696	1,606	565	2,183	-	-	-	-	-
2012	4,259	1,549	1,915	-	-	-	-	-	-	-	-
2013	7,354	3,646	668	-	-	-	-	-	-	-	-
2014	6,631	12,113	2,143	-	-	-	-	-	-	-	-
2015	2,507	11,611	26	-	15	-	-	-	-	-	-
2016	2,617	1,456	664	2,941	9	-	-	-	-	-	-
2017	4,573	3,465	1,355	373	-	-	-	-	-	-	-
2018	5,129	1,746	738	-	-	-	-	-	-	-	-
2019	4,009	27,060	-	-	-	-	-	-	-	-	-
2020	13,717	-	-	-	-	-	-	-	-	-	-

Marine	Incremental Chain ladder-Yearly Projections (N'000)										
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	403	7,029	7,210	3,014	20	17	-	-	-	-	-
2008	2,709	3,005	1,602	1,210	512	1,543	-	-	-	-	-
2009	278	4,668	4,895	2,824	-	-	-	-	-	-	-
2010	8,478	9,134	1,577	1,105	-	293	-	335	-	-	-
2011	4,710	6,144	4,272	5,230	-	-	-	-	-	-	-
2012	4,971	15,645	1,161	95	-	-	-	-	-	-	-
2013	8,740	10,445	57	43	7	-	-	-	-	-	-
2014	14,785	30,078	5,940	-	-	-	-	-	-	-	-
2015	19,223	21,068	-	33	-	-	-	-	-	-	-
2016	13,110	19,537	4,434	5,840	-	-	-	-	-	-	-
2017	15,221	42,517	5,623	1,369	-	-	-	-	-	-	-
2018	6,011	17,127	7,194	-	-	-	-	-	-	-	-
2019	15,961	16,968	-	-	-	-	-	-	-	-	-
2020	3,058	-	-	-	-	-	-	-	-	-	-

Motor	Incremental Chain ladder-Yearly Projections (N'000)										
A/Y year/ Dev Years	1	2	3	4	5	6	7	8	9	10	11
2007	69,042	93,856	7,781	1,934	1,692	-	-	-	-	-	-
2008	123,217	121,480	6,112	756	165	28	-	-	-	-	-
2009	109,488	127,883	22,327	3,025	286	-	338	82	969	-	-
2010	90,318	103,367	3,884	3,609	206	512	-	2,255	-	-	-
2011	78,170	63,272	13,635	2,267	25	-	-	-	-	-	-
2012	110,916	101,782	4,218	19	-	-	-	-	-	-	-
2013	123,427	86,868	1,347	5,135	98	2,598	-	-	-	-	-
2014	225,537	155,085	21,615	1,554	-	-	-	-	-	-	-
2015	120,490	98,077	6,211	1,475	-	-	-	-	-	-	-
2016	89,199	69,427	9,149	-	-	-	-	-	-	-	-
2017	71,887	33,132	550	-	-	-	-	-	-	-	-
2018	105,955	31,878	2,767	-	-	-	-	-	-	-	-
2019	92,870	18,179	-	-	-	-	-	-	-	-	-
2020	136,513	-	-	-	-	-	-	-	-	-	-



SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



5.2 FINANCIAL RISK MANAGEMENT

Introduction and overview

SUNU Assurances Nigeria Plc has a robust and functional Enterprise-wide Risk Management (ERM) Framework that is responsible for identifying and managing the inherent and residual risks facing the Group. The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Other key risks faced by the Group as a result of its existence and operations include operational risks, property risks, reputational and strategy risks.

This note presents information about the Group's exposure to each of the risks stated above, the Group's policies and processes for measuring and managing risks, and the Group's management of capital.

Internal Control and Risk Management Systems

Being an insurance company, the management of risk is at the core of the operating structure of SUNU Assurances Nigeria Plc. As a result, the Company employs the best risk management practices to identify, measure, monitor, control and report every material risk prevalent in our business operation.

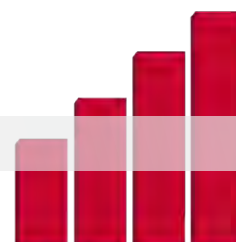
The Company's ERM framework is in line with Committee of Sponsoring Organizations of the Treadway Commission (COSO) as approved by the insurance industry regulator, National Insurance Commission (NAICOM), to identify, assess, manage and monitor the risks inherent in our operations.

The risk structure includes our approach to management of risks inherent in the business and our appetite for these risk exposures. Under this approach, we continuously assess the Company's top risks and monitor our risk profile against approved limits. Our main strategies for managing and mitigating risk include policies and tools that target specific broad risk categories.

Enterprise-wide Risk Management Principles

The Company seeks to be the reference point for risk management in the industry while maximizing our value to stakeholders through an approach that balances the risk and reward in our business. In order to ensure effective integration over time into the Group's processes so that risk management not only protects value but creates value, SUNU Assurances Nigeria Plc is being guided by the following principles:

- a) The Company will not take any action that will compromise its integrity. It shall identify, measure, manage, control and report as practical as possible all risks.
- b) The Company will at all times comply with all government regulations and uphold international best practice.
- c) The Company will build and entrench an enduring risk culture, which shall pervade the entire organization.





- d) The Company will only accept risks that fall within its risk acceptance criteria and have commensurate returns and continually review its activities to determine inherent risks level and adopt appropriate risk response at all times.
- e) The Company will make decisions based on careful analysis of the implications of such risk to its strategic goals and operating environment.

Enterprise-wide Risk Management Framework

This framework is developed to promote a strong risk management culture and integrate risk considerations into management and decision-making processes through a robust risk governance structure. It ensures that top risks are properly identified, analyzed and assessed, in a consistent manner across the organization. We operate the 'three lines of defence model' for the oversight and management of risk to create and promote a culture that emphasizes effective management and adherence to operating controls as illustrated below:

1st line – Management

It involves broad setting of strategy, risk appetite, performance measurement, establishment and maintenance of internal control and risk management in the business. In addition, business units have the primary responsibility for managing risks and required to take responsibility for the identification, assessment, management, monitoring and reporting of risks arising within their respective businesses, thereby ensuring an informed risk and reward balance.

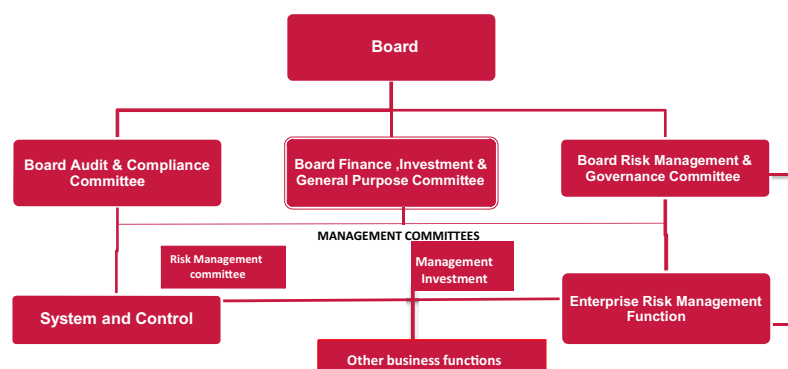
2nd line – Risk oversight

The Company's risk management function provides oversight and independent reporting to executive management, implements the group's risks management policy in the business units, approve risk within specific mandates and provides an independent overview of the effectiveness of risk management by the first line of defence.

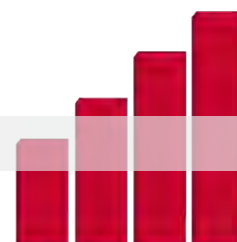
3rd line – Independent assurance

The last line of defence comprises the internal audit function that provides independent and objective assurance of the effectiveness of the Company's systems of internal control established by the first and second lines of defence in management of enterprise risks across the organization.

ERM Governance Structure



The Board sets the organization's risk appetite, approves the strategy for managing risk and is ultimately responsible for the organization's system of internal control.





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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



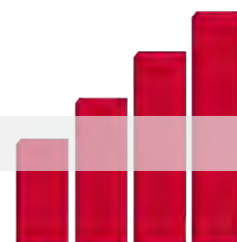
This function is carried out via its Board Committees as follows

BOARD COMMITTEES	FUNCTIONS
Board Audit & Compliance Committee	<ul style="list-style-type: none">a) Oversight of financial reporting and accountingb) Oversight of the external auditorc) Monitoring the internal control processd) Oversight on the Company's compliance level with
Board Enterprise Risk Management, Nomination & Governance Committee	<ul style="list-style-type: none">a) Assist in the oversight of the review and approval of the companies riskmanagement policy including risk appetite and risk strategy;b) Review the adequacy and effectiveness of risk management and controls;c) Oversee management's process for the identification of significant risks across the company and the adequacy of prevention, detection and reporting mechanisms;d) Review of the company's compliance level with applicable laws and regulatory requirements that may impact the company's risk profile;e) Review changes in the economic and business environment, including emerging trends and other factors relevant to the company's risk profile; andf) Review large underwritten risks for adequacy of reinsurance and other risk management techniques including
Board Finance, Investment, Remuneration and General Purpose Committee	<ul style="list-style-type: none">a) Reviews and approves the company's investment policyb) Approves investments over and above managements' approval limit

The Company's ERM Management committee in line with Management Investment Committee recommends to the Board Enterprise Risk Management, Nomination and Governance Committee an amount at risk that it is prudent for the risk committee to approve in line with the Company's business strategies. The Board Risk Management and Governance Committee approve the Company's risk appetite each year, based on a well-defined and broad set of risk measures.

The Company's ERM Management committee is also responsible for establishing, documenting and enforcing all policies that involve risk. Specifically, the Chief Risk Officer(a member of the Management Committee) is responsible for the risk policies, risk methodologies and risk infrastructure.

The Chief Risk Officer (CRO) plays a pivotal role in informing the Board, as well as ERM Management Committee about the risk profile of the Company and also communicates the views of the Board and Senior Management down the Company.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021)



The CRO is also responsible for independently monitoring the broad risk set by the board throughout the year, and delegating some responsibilities to the heads of the various Strategic Business Units within the Company.

The internal audit functions evaluate the design and conceptual soundness of risk measures, accuracy of risk models, soundness of elements of the risk management information systems, adequacy and effectiveness of the procedures for monitoring risk, the progress of plans to upgrade risk management systems, the adequacy and effectiveness of application of the vetting processes.

Risk Appetite

The Company recognizes that its long-term sustainability is dependent upon the protection of our brand, preservation of the value and relationship with customers. To this end, we will not accept risks that materially impair reputation and value and requires that our customers are always treated with integrity.

The Company's risk appetite is defined by a clear risk strategy and limit structure. Close risk monitoring and reporting allows us to detect potential deviations from our risk tolerance at an early stage at both the Group and operating entity levels.

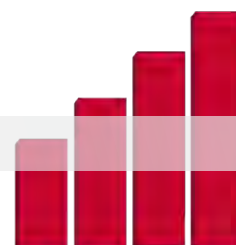
Risk Management Policies and Procedures

We have developed policies and procedures for each broad risk category inherent in our business. The policies set out and ensure alignment and consistency in the way in which we deal with major risk types across the group, from identification to reporting. Procedures targeted at managing each broad risk category are embedded in our Enterprise-wide Risk Management framework approved by the Board.

Risk Management is an ongoing activity and is to be carried out as part of day-to-day business. The risks are identified by different portfolio and strategic business units and re-assesses regularly to determine whether there are new or emerging risks in light of any current or anticipated changes. Treatment plans for identified risks are monitored to ensure that risks are being mitigated as planned. The company-wide risk assessments is refreshed and reported twice per year. Management is responsible and accountable for ensuring that:

- a) Risk management policies, framework and processes are complied with.
- b) The risk profiled for areas under their control are refreshed and updated on a timely basis to enable the collation, analysis and reporting of risks to the Board Committees.
- c) Explanations are provided to the Board Committees for any major gaps in the risk profile and any significant delays in planned treatments for high risk and high priority matters

Our internal audit function, the Systems & Control (SYSCON) group, conducts a risk-based audit on all business units using outputs of the annual company-wide risk assessment to guide its annual audit planning. The Board is responsible for and committed to ensuring appropriate and effective risk management and control system are established across the Company. It periodically reviews the system for continuous improvement.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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The Board of Directors and Management, in carrying out its oversight ERM functions, have achieved the following:

1. Reviewed the activities and effectiveness of the organization risk management and control systems
2. Assessed the Asset and Liability Management and Other Committee reports to guarantee adequacy and effectiveness of the risk management and control systems
3. Set the Risk Appetite and ensured compliance with the approved risk appetite and tolerance limits
4. Reviewed and approved the Operational Risk Management Manual and related documents for adequacy and continuous improvements
5. Approved the conduct of ERM training and awareness across all levels to enhance the organization's risk management and control culture

Monthly and Quarterly meetings were held by the Management and Board respectively to assess the adequacy and effectiveness of risk management processes as well as review of ERM core activities.

The ERM framework provides detailed responsibilities of the Board, its Committees and Management for managing the risks of the organization. Below are the responsibilities of the Board in the management of risks.

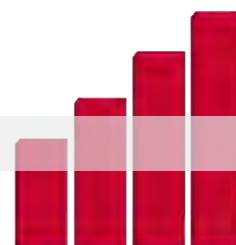
Role of the Board of Directors

General Risk Management and Control

- a. Approve and periodically review risk strategy and policies
- b. Approve SUNU's risk appetite and monitor SUNU's risk profile against this appetite
- c. Ensure Senior Management takes steps necessary to monitor and control risks
- d. Ensure Senior Management maintains an appropriate system of internal control and reviews its effectiveness
- e. Ensure SUNU's risk strategy reflects its tolerance for risk
- f. Review and approve changes/amendments to the risk management framework
- g. Review and approve risk management procedures and controls for new products and activities
- h. Receive risk reports periodically from Senior Management highlighting key risk areas, control failures and remedial action steps taken by Senior Management.

Other responsibilities of the Board in relation to Enterprise Risk Management

- a. Define SUNU's Overall risk appetite in relation to Operational risk, business and strategic risk, underwriting risk, reserving and solvency risk, market and liquidity risk, credit risk, reputational risk, compliance risk and legal risk





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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- b. Approve SUNU's Risk Management Framework for Operational risk, business and strategic risk, underwriting risk, reserving and solvency risk, market and liquidity risk, credit risk, reputational risk, compliance risk and legal risk
- c. Approve SUNU's overall strategic direction and risk tolerance in relation to Operational risk, business and strategic risk, underwriting risk, reserving and solvency risk, market and liquidity risk, credit risk, reputational risk, compliance risk and legal risk based on the recommendation of the Board Investment and Enterprise Risk Management Committee
- d. Ensure that SUNU's overall risk exposure is maintained at prudent levels and consistent with the capital held
- e. Ensure that detailed policies and procedures for various functions risk exposure (development, management and recovery) are in place.

Risk Categorization

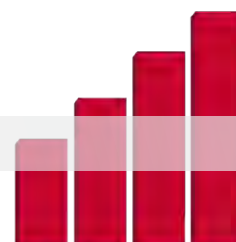
SUNU Assurances Nigeria Plc is exposed to an array of risks through its operations. The Company has identified and categorized its exposure to these broad risks as listed below:

- a) Market risk
- b) Underwriting risk
- c) Credit risk
- d) Operational risk
- e) Liquidity risk
- g) Business risk
- h) Reputational risk

Market risk: This reflects the possibility that the value of investment's funds will fall as a result of changes in market conditions, whether those changes are caused by factors specific to the individual investment or factors affecting all investments traded in the market. The Company is exposed to this risk through its financial assets and comprises.

- a) Equity price risk: the risk associated with volatility in the stocks in our investment portfolio.
- b) Foreign exchange risk: may arise from movement of currency prices on assets held in foreign currency
- c) Interest rate risk: the risk that the value of a fixed income security will fall as a result of movement in market interest rates.
- d) Property price risk: The Company's portfolio is subject to property price risk arising from changes in the market value of properties.

Underwriting risk: Our activities are primarily concerned with the pricing, acceptance and management of risk arising from our contracts with customers. It entails the risk that:





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- a) The prices charged by the company for insurance contracts will be ultimately inadequate to support the future obligations arising from those contracts, risk exposure under its insurance contracts that were unanticipated in the design and pricing of the insurance contract;
- b) risks are not adequately ceded to reinsurers exposing the company to potential high claims payout;
- c) many more claims occur than expected or that some claims that occur are much larger than expected claims resulting in unexpected losses and;
- d) The company's policyholder will act in ways that are unanticipated and have an adverse effect on the company

Credit risk: This is the risk arising from the uncertainty of an obligor's ability to perform its contractual obligations. Risks that brokers and large corporate who are allowed extended payment period may default and this is closely allied to cash flow risks. The three sources of credit risk identified are :

- a) Direct Default Risk: risk that the company will not receive the cash flows or assets to which it is entitled because a party with which the firm has a bilateral contract defaults on one or more obligations.
- b) Downgrade Risk: risk that changes in the possibility of a future default by an obligor will adversely affect the present value of the contract with the obligor today.
- c) Settlement Risk: risk arising from the lag between the value and settlement dates of securities transactions

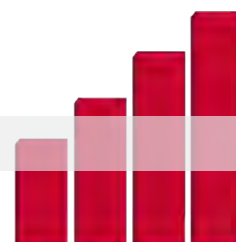
Operational risk: This is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes legal risk, strategic risk and reputational risk. Legal risk includes, but is not limited to, exposure to fines, penalties, or punitive damages resulting from supervisory actions, as well as private settlements.

Liquidity risk: The Company recognizes the risk of loss due to insufficient liquid assets to meet cash flow requirements or to fulfill its financial obligation once claims crystallize. The Company's exposure to liquidity risk comprises:

- a) Funding liquidity risk: Arising from our investment-linked products where there is a financial obligation to customers.
- b) Asset liquidity risk: arising from our financial assets where we might not be able to execute transactions at prevailing market price because there is temporarily, no appetite for the deal at the other side of the market

Business risk: Business risk relates to the potential erosion of our market position or revenue shortfall compared to the cost base due to strategic and/or reputational reasons.

Reputational risk: The Company is exposed to this risk through events that damage its image amongst stakeholders and the public which may impair the ability to retain, generate and drive sustainable business. We understand that reputational risk is the biggest risk to our business as it poses a special threat to the confidence of our customers, regulators and industry.





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Market Risk Management

The identification, management, control, measurement and reporting of market risk are aligned towards the sub-risk categories namely:

1. Equity price risk
2. Foreign exchange risk
3. Interest-rate risk
4. Property price risk

1. **Equity Price Risk**

The Group's management of equity price risk is guided by the investment quality and limit analysis.

Investment quality and limit analysis

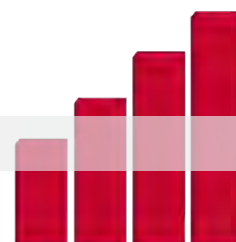
Management Investment Committee establishes and approves a list of eligible listed and unlisted stocks aligned with investment approval/dealer limits as approved by the Board through its Board Finance & Investment Committee. These approval limits are illustrated using an approval hierarchy that establishes different levels of authority necessary to approve investment decisions of different naira amounts. The approval limit system:

- a) sets a personal discretionary limit for Chief Executive Officer;
- b) requires that investment decisions above the MD's limit requires approval by the Board of Directors and;
- d) sets out lower limits for Chief Investment Officer (CIO) and, or provides the CIO with the authority to assign limits to subordinates.

2. **Foreign Exchange Risk**

SUNU Assurances Group is exposed to foreign exchange currency risk primarily through certain transactions denominated in foreign currency. The Group is exposed to foreign currency risk through its bank balances in other foreign currencies. The carrying amounts of the Group's foreign currency-denominated assets as at end of the year are as follows:

	Cash & Cash Equivalents	
	2021 N'000	2020 N'000
Dollars	1,416,479	488,707
Euros	4,044	3,753
Pounds	796	796
	1,421,319	493,255





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The Group limits its exposure to foreign exchange to 16% of total investment portfolio. Foreign currency changes are monitored by the investment committee and holdings are adjusted when offside of the investment policy. The Group further manages its exposure to foreign exchange risk using sensitivity analysis to assess potential changes in the value of foreign exchange positions and impact of such changes on the Group's investment income. At the year end, the foreign currency investments held in the portfolio were cash and cash equivalents. There have been no major changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

3. Interest-rate Risk

The Group is moderately exposed to interest-rate risk through its conservative investment approach with high investment in Fixed Income and Money Market instruments. Interest rate risk is managed principally through monitoring interest rate gaps and sensitivity analysis across all investment portfolios.

4. Property Price Risk

The Group is exposed to property price risk through its investment in property. Exposure to property price risk accounts for 10% of the total investment portfolio. The Group manages the risk by constantly monitoring the contribution of property to its portfolio and converting some of this class to earning properties.

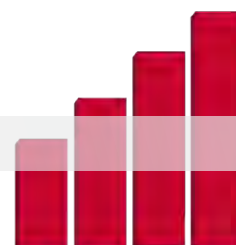
Underwriting Risk Management

The Group faces underwriting risk through its core business when actual claims and benefits payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims.

SUNU Assurances Nigeria plc manages its underwriting risk by diversification across large portfolio of insurance. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements. The Group purchases reinsurance as part of its risk mitigation program and establishes retention limits for reinsurance across product lines.

The Group's internal processes and policies also ensure that amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. In addition, the Group recognizes that its reinsurance program with respect to ceded reinsurance is exposed to credit risk, to the extent that any reinsurer who is unable to meet its obligations assumed under such reinsurance agreements, thus it is not relieved of its direct obligations to its policyholders.

The Group also recognizes that a concentration of risk may arise from insurance contracts issued in a specific geographical location since most of the insurance contracts are written in Nigeria and Ghana and constantly conducts concentration risk analysis to evaluate and manage its exposure to the risk. The Group holistically manages this risk via its underwriting and reinsurance strategy within an overall risk management framework. Exposures are limited by having documented underwriting limits and criteria. Pricing of policies are based on trends and past experience amongst others in an attempt to correctly match policy revenue with exposed risk.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



Business Risk Management

Business risk is managed by Management Underwriting & Investment Committee through consistent monitoring of product lines' profitability, stakeholder engagement to ensure positive outcomes from external factors beyond the Group's control and prompt response to changes in the external environment.

Reputational Risk Management

SUNU Assurances Nigeria Plc norms and values set a tone for acceptable behaviours required for all staff members, and provide structure and guidance for non-quantifiable decision making, thereby assisting in the management of the group's reputation.

The Group identifies, assesses and manages reputational risks predominately within its business processes. Management of reputational risks is based on the Group's risk governance framework. In addition, company-wide risks are identified and assessed qualitatively as part of the annual risk & control self-assessment. The Group's risk functions analyses the overall risk profile and regularly informs management about the current profile and potential exposures to the risk. Risk functions' presentation of potential reputational risk guides management decisions in executing business operations and strategies.

The Group has laid great emphasis on effective management of its exposure to credit risk especially premium related debts. The Group defines credit risk as the risk of counterparty's failure to meet its contractual obligations. Credit risk arises from insurance cover granted to parties with payment instruments or payments plan issued by stating or implying the terms of contractual agreement. Credit risk exposure to direct business is low as the Company requires debtors to provide payment plans before inception of insurance policies. The Company's exposure to credit risk arising from brokerage business is relatively moderate and the risk is managed by the Group's internal rating model for brokers. Our credit risk internal rating model is guided by several weighted parameters which determine the categorization of brokers the Group transacts businesses with.

The Group credit risk originates from reinsurance recoverable transactions, retail clients, corporate clients, brokers and agents.

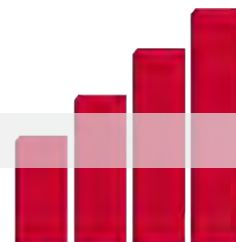
Management of credit risk due to outstanding premium

Credit Rating

We constantly review brokers' contribution to ensure that adequate attention is paid to high premium contributing brokers while others are explored for possible potentials.

Receivables are reviewed and categorized into grade A, B, C and D on the basis of:

- a) Previous year contribution (4 years)
- b) Payment mode
- c) Outstanding as at December of the previous year
- d) Future prospect
- e) Recommendation





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The Group credit risk is constantly reviewed and approved during the weekly Management Operations meeting. The monthly Group management meeting is responsible for the assessment and continual review of the Company premium debt and direct appropriate actions in respect of delinquent ones. It also ensured that adequate provisions are taken in line with the regulatory guidelines. Other credit risk management includes:

- a) Formulating credit policies with strategic business units, underwriters, brokers covering brokers grading, reporting, assessment, legal procedures and compliance with regulatory and statutory bodies.
- b) Identification of credit risk drivers within the Group in order to coordinate and monitor the probability of default that could have an unfortunate impact.
- c) Developing and monitoring credit limits. The Group is responsible for setting credit limits through grading in order to categorize risk exposures according to the degree of financial loss and the level of priority expected from management.
- d) Assessment of credit risk. All firsthand assessment and review of credit exposures in excess of credit limits, prior to granting insurance cover are subject to review process and approval given during management meeting.
- e) Continuous reviewing of compliance and processes in order to maintain credit risk exposure within acceptable parameters.

In measuring credit risk, the Group considers three models:

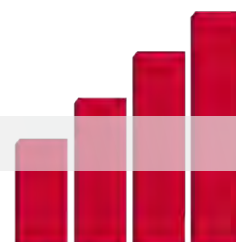
- a) The Probability of Default (PD), the likelihood that the insured will fail to make full and timely payment of financial obligations
- b) The Exposure at Default (EAD) is derived from the Group's expected value of debt at the time of default
- c) The Loss Given Default (LGD) which state the amount of the loss if there is a default, expressed as a percentage of the (EAD).

Impairment Model Premium debtors, which technically falls under receivables is recognized at a fair value and subsequently measured at amortized cost, less provision for impaired receivables. Under IFRS, an asset is impaired if the carrying amount is greater than the recoverable amount. The Group adopts simplified provision matrix for calculating expected losses on premium receivables as a practical expedient in line with IFRS 9. The provision matrix is based on the Group's historical default rates over the expected life of the trade receivables which is adjusted for forward-looking estimates.

Credit Quality

The Group loan and receivables has no collateral as security and other credit enhancements, thus the group has no loan or receivables that are past due but not impaired. Insurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value.

The Group further manages its exposure to credit risk through deduction of transactions at source and investment in blue-chip companies quoted on Nigerian Stock Exchange. The exposure to credit risk associated with other receivables is low.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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Operational Risk Management

A summary of the analytical tools that the Group employed in operational risk management are discussed below

Issue tracking report/action plan report: Issues can surface from the internal self-assessment process, an audit, or regulators requirements. A key result of the self-assessment process is an action plan with assigned responsibilities. This report contains a ream of major issues, the status of the action plan, and an aging of overdue tasks.

Risk control and self-assessment (RCSA): The business areas perform self-assessments semi-annually and results are aggregated to provide a qualitative and quantitative profile of risk across the organization and related action items. Severity of the risks identified is compared with previous RCSA risk severity and a trend is ascertained. The register summarizes findings into list of risks facing the institution. These summary results are accompanied by descriptions of the significant gaps and trends, suggested mitigants, and process owners and timeline for each risk.

The profile of risks across the organization is an integral input for the Group's internal audit whilst preparing audit plans. Areas with high-risk exposures are thoroughly audited and performance of recommended controls tested by the Group's internal control function to ascertain that risks are properly managed.

Risk maps: Risk maps typically are graphs on which impact of each risk is plotted against probability of occurrence. Risk maps are designed either to show inherent or residual risk categories by line of business. Risks in the upper right are very severe and need to be monitored closely to reduce the Group's exposure. High-frequency/low-severity risks create the basis for expected losses and are often subject to detailed analysis focused on reducing the level of losses.

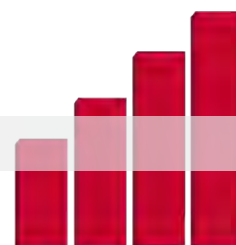
Key risk indicators dashboard: These are numerous measures of actual risks in the business and support functions, such as error rates and control breaks. Summary indicators, related escalation criteria, explanations of any excesses, and identified trends are all important aspects that are tracked. Many indicators are specific to each business unit or process, but some may be common and reported in a consolidated fashion. Threshold is set by management for each key risk indicators and escalation of indicators above such levels triggers a mitigation response.

Loss events report: The ERM team developed a database for loss event collation named Loss Event Register. This register allows staff to report actual and near-miss (an unplanned event that did not result in injury, illness, or damage – but had the potential to do so) loss events. Summary statistics from the loss event database are used to show trends of total losses and mean average loss, with analysis by type of loss and business line.

Business continuity plan: A critical tool in managing our operational risk is the Business Continuity Plan (BCP) that documents the procedures to be executed by relevant teams in the event of a disaster.

Liquidity Risk Management

Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Group mitigates this risk by monitoring cash activities and expected outflows. The Group's current liabilities arise as claims are made and clients request for termination of their investment-linked products.





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The Group has no material commitments for capital expenditures and there is no need for such expenditures in the normal course of business. Claims payments are funded by current operating cash flow including investment income. The Group has no tolerance for liquidity risk and is committed to meeting all liabilities as they fall due.

The Group's investment policy requires that 35% of the Group's portfolio to be held in cash and short-term investments. This highlights liquid marketable securities sufficient to meet its liabilities as at when due. Short term investments include treasury bills and term deposits with an original maturity of less than one year.

The limits are monitored and reported on a weekly and monthly basis to ensure that exposure of the Group's investment portfolio to this risk is properly managed.

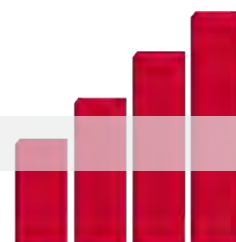
Expected Credit Loss Impairment Model

The Group's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial instrument depending on credit deterioration from inception. The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

The Group adopts a three-stage approach for impairment assesment based on changes in credit quality since initial recognition.

- | | | |
|---------|---|--|
| Stage 1 | – | Where there has not been a significant increase in credit risk (SICR) since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default occurring over the next 12 months. For those instruments with a remaining maturity of less than 12 months, a probability of default corresponding to remaining term to maturity is used. |
| Stage 2 | – | When a financial instrument experiences a SICR subsequent to origination but is not considered . to be in default, it is included in Stage 2. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument. |
| Stage 3 | – | Financial instruments that are considered to be in default are included in this stage. Similar to Stage 2, the allowance for credit losses captures the lifetime expected credit losses. |

The guiding principle for ECL model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments since initial recognition. The ECL allowance is based on credit losses expected to arise over the life of the asset (life time expected credit loss), unless there has been no significant increase in credit risk since origination. Examples of financial assets with low credit risk (no significant increase in credit risk) include: Risk free and gilt edged debt investment securities that are determined to have low credit risk at the reporting date; and Other financial instruments (other than lease





.Measurement Of Expected Credit Losses

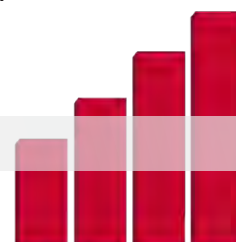
The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio.

The group employs the usage of international rating agencies PD factors which was modified by factors specific to the Nigerian Economy such as inflation rate, unemployment rate, GDP and so on.

Using the probabilities of default (PD) as provided by Standard & Poors, our model employs Nigeria-centric forward-looking macro-economic factors which have been determined to be statistically significant, to adjust the PDs. Country-specific factors are also applied to the LGD factors which originate from Basel recommendations and are thereby adjusted to our specific circumstances. Base, optimistic and pessimistic scenarios are employed and projected cash flows are discounted to present value at using the effective rates of interest. The resulting ECL computations are therefore appropriately probability-weighted and consider relevant forward-looking information as well as the time value of money.

Details of these statistical parameters/inputs are as follows:

- PD – The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the remaining estimated life, if the facility has not been previously derecognized and is still in the portfolio.
- 12-month PDs – This is the estimated probability of default occurring within the next 12 months (or over) the remaining life of the financial instrument if that is less than 12 months). This is used to calculate 12-month ECLs.
 - Lifetime PDs – This is the estimated probability of default occurring over the remaining life of the financial instrument. This is used to calculate lifetime ECLs for 'stage 2' and 'stage 3' exposures. PDs are limited to the maximum period of exposure required by IFRS 9.
- EAD – The exposure at default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD – The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD. However, the group make use of the combination of the following in establishing its LGD:
- Fixed LGD ratios prescribed by the Bank for International Settlements (BIS) under the foundation approach for certain classes of unsecured exposures on corporates, sovereigns and banks
 - Recovery rates on insolvencies in Nigeria as published by the World bank





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Forward-looking information

The measurement of expected credit losses for each stage and the assessment of significant increases in credit risk considers information about past events and current conditions as well as reasonable and supportable forecasts of future events and economic conditions. The estimation and application of forward looking information requires significant judgement.

Macroeconomic factors

The Group relies on a broad range of forward looking information as economic inputs, such as: GDP growth, unemployment rates, central bank base rates, crude oil prices, inflation rates and foreign exchange rates. The inputs and models used for calculating expected credit losses may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays may be made as temporary adjustments using expert credit judgement.

Multiple forward-looking scenarios

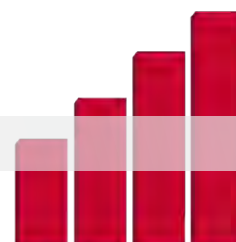
The Group determines allowance for credit losses using probability-weighted forward looking scenarios. The Group considers both internal and external sources of information in order to achieve an unbiased measure of the scenarios used. The Group prepares the scenarios using forecasts generated by credible sources such as Business Monitor International (BMI), International Monetary Fund (IMF), Nigeria Bureau of Statistics (NBS), World Bank, Central Bank of Nigeria (CBN), Financial Markets Dealers Quotation (FMDQ) and Trading Economics.

The Group estimates three scenarios for each risk parameter (LGD, EAD, CCF and PD) – Normal, Upturn and Downturn, which in turn are used in the estimation of the multiple scenario ECLs. The normal case' represents the most likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables, credit risk and credit losses.

Assessment of significant increase in credit risk (SICR)

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the remaining expected life from the reporting date and the date of initial recognition. The assessment considers specific quantitative and qualitative information about the issuer without consideration of collateral, and the impact of forward-looking macroeconomic factors. The common assessments for SICR on retail and non-retail portfolios include macroeconomic outlook, management judgement, and delinquency and monitoring. Forward looking macroeconomic factors are a key component of the macroeconomic outlook. The importance and relevance of each specific macroeconomic factor depends on the type of product, characteristics of the financial instruments and the issuer and the geographical region.

The Group adopts a multi factor approach in assessing changes in credit risk. This approach considers: Quantitative (primary), Qualitative (secondary) and Back stop indicators which are critical in allocating financial assets into stages.





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The quantitative models considers deterioration in the credit rating of obligor/counterparty based on the Group's internal rating system or External Credit Assessment Institutions (ECAI) while qualitative factors considers information such as expected forbearance, restructuring, exposure classification by licensed credit bureau etc.

A backstop is typically used to ensure that in the (unlikely) event that the primary (quantitative) indicators do not change and there is no trigger from the secondary (qualitative) indicators, an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to stage 2 and stage 3 respectively except there is a reasonable and supportable evidence available without undue cost to rebut the presumption.

Definition of Default and Credit Impaired Financial Assets

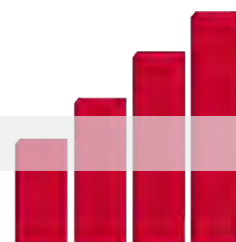
At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cashflows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- (i) Significant financial difficulty of the borrower or issuer;
- (ii) A breach of contract such as a default or past due event;
- (iii) It is becoming probable that the issuer will enter bankruptcy or other financial reorganisation; or
- (iv) The disappearance of an active market for a security because of financial difficulties.
- (v) The purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

An asset that has been renegotiated due to a deterioration in the issuer's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

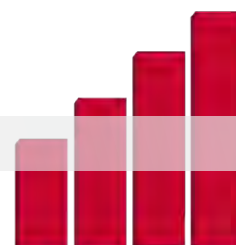
FOR THE YEAR ENDED 31 DECEMBER 2021



Presentation of allowance for ECL in the statement of financial position

Loan allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets:
- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve





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5.3 CAPITAL MANAGEMENT

The Group's objectives with respect to capital management are to maintain a capital base that is designed to satisfy regulatory requirement and optimize capital allocations. SUNU Assurances Nigeria Plc has over the years been deploying capital from earnings and equity funds to support growth in business volumes while striving to meet dividend commitments to shareholders. To be able to continue to generate and deploy capital both to grow core businessess and reward shareholders, there is need for the Company to execute the right strategy, the right growth dynamics, the right cost structure and risk discipline as well as the right capital management.

The Group's capital management strategy focus on the creation of shareholders' value whilst meeting the crucial and equally important objective of providing an appropriate level of capital to protect stakeholders' interests and satisfies regulator

1. To ensure that capital is, and will continue to be, adequate for the safety, soundness and stability of the Group.
2. To generate sufficient capital to support the Group's overall business strategy.
3. To ensure that the Group meets all regulatory capital ratios
4. To maintain a strong risk rating.
5. To ensure that capital allocation decisions are optimal, considering the return on economic and regulatory capital.
6. To determine the capital required to support each business activity based on returns generated on capital to facilitate growth/expansion of existing businesses.
7. To establish the efficiency of capital utilisation;

In reporting financial strength, capital and solvency are measured using the rules prescribed by the National Insurance Commission. These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written.

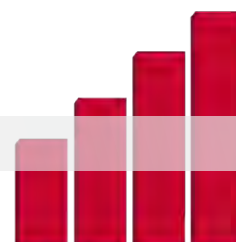
Minimum Capital Requirement

The Company complied with the minimum capital requirement of N3billion for non-life business as at the end of the financial year. This is shown under Shareholders' fund in the statement of financial Position.

Solvency Margin

Insurance industry regulator measures the financial strength of non-life insurers using a solvency margin model, which NAICOM generally expects non-life insurers to comply with this capital adequacy requirements.

Section 24 of the Insurance Act 2003 defines Solvency margin of a non-life insurer as the difference between the admissible assets and liabilities and this shall not be less than 15% of Net premium income or the minimum capital base (N3billion) whichever is higher. This test compares insurers' capital against the risk profile. The regulator indicated that insurers should produce a minimum solvency margin of 100%. The company exceeded its solvency margin by N1,151.407 Billion for the year ended 31 December 2021. The regulator has the authority to request more extensive reporting and can place restriction on the Company's operations if the company falls below this requirement.



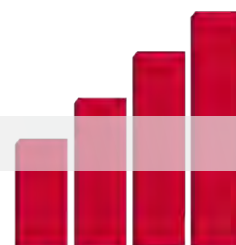


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



			2021	2020
	Total	Inadmissible	Admissible	Admissible
	N'000	N'000	N'000	N'000
Solvency margin computation				
Cash and Cash equivalents	2,890,949		2,890,949	3,121,509
Financial assets :				
At fair value through profit or loss	40,465		40,465	42,688
At fair value through OCI	1,483		1,483	1,931
At Amortized Cost	209,071		209,071	2,793,934
Trade receivables	5,205		5,205	17,424
Reinsurance receivables	1,730,084		1,730,084	1,111,294
Deferred acquisition costs	224,803		224,803	157,227
Prepayments and other receivables	443,500	(435,565)	7,935	4,310
Investment in subsidiaries	677,045		677,045	669,085
Investment properties	347,590		347,590	342,000
Intangible assets	617,005		617,005	663,244
Property, plant and equipment	3,429,197	(2,184,204)	1,244,993	362,811
Statutory deposits	315,000		315,000	315,000
Admissible assets	10,931,397	(2,619,769)	8,311,628	9,602,457
Insurance contract liabilities	3,460,109		3,460,109	2,584,605
Trade payable	163,682		163,682	147,452
Deposit for shares				3,010,800
Other payables	460,352		460,352	593,455
Taxation	76,078		76,078	26,514
Daferred tax	48,851	(48,851)	-	
Admissible liabilities	4,209,072	(48,851)	4,160,221	6,362,826
Solvency margin			4,151,407	3,239,632
The higher of 15% of net premium income and shareholders funds			3,000,000	3,000,000
Excess of solvency margin			1,151,407	239,632
Solvency ratio			138	108





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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5.4 SEGMENT INFORMATION

The Group is organized into three operating segments. These segments distribute their products through various forms of Brokers, Agencies and direct marketing programs. These segments and their respective operations are as follows:

Non-Life insurance

This segment covers the protection of customers' assets (particularly their properties, both for personal and commercial business) and indemnification of other parties that have suffered damage as a result of Customers' accidents. All contracts in this segment are short term in nature. Revenue in this segment is derived primarily from insurance premium, investment income, net realized gains on financial assets and net fair value gains on financial assets at fair value through profit or loss.

Asset Management

This segment offers finance leases to both individual and corporate clients. Revenue from this segment is derived primarily from lease income, investment income, net realized gains on financial assets and net fair value gains on financial assets at fair value through profit or loss.

Health Management

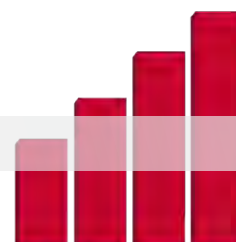
This segment offers health management to both individual and corporate clients. It derives its revenue primarily from premium on plan scheme, income from consultancy, income from third party administration, fee for service, investment income, net realized gains on financial assets and net fair value gains on financial assets at fair value through profit or loss.

Expenses for the Group office that renders services for all the business segments are initially paid by the general business segment and transferred to other business units at cost price. The expenses are allocated based on service man hours rendered by the group office to the various business segments.

The corporate expenses for the following centrally shared services are being apportioned to all business segments in the;

- System and controls
- Financial controls
- Human resources
- Information technology
- Strategy and Performance Management

EA Capital Management Limited rendered asset management services for other business segments of the Group. All fee income earned on group asset management services is eliminated on consolidation.





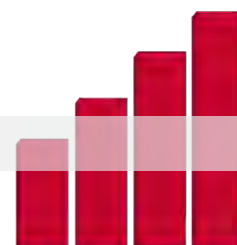
SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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SEGMENT REPORTING -2020

GROUP	NON-LIFE	HEALTHCARE	ASSET MGT	TOTAL
Revenue:				
Derived from external customers				
Gross Premium	3,270,464	938,512		4,208,976
Gross Premium income	3,085,351	932,501		4,017,852
Reinsurance expenses	(928,005)	-		(928,005)
Net Premium income	2,157,346	932,501	-	3,089,847
Commission income	155,810	-		155,810
Income from non-insurance subsidiaries	-	17,743	749	18,492
Investment income	321,953	14,415	9,190	345,558
Net fair value gain on investment properties	6,000	-	1,550	7,550
Net realised gains(loss) on financial assets	1,332	-	-	1,332
Net fair value (loss)/gain on financial assets at fair value through profit or loss	7,464	555	4,915	12,934
Profit from concessionary arrangement	(23,490)	-	-	(23,490)
Other operating income	178,533	4,575	-	183,108
Net income	2,804,948	969,789	16,404	3,791,141
Insurance claims	861,785	359,832	-	1,221,617
Insurance claims recovered from reinsurer	(469,178)	-	-	(469,178)
Net insurance claims	392,607	359,832		752,439
Acquisition costs	641,230	44,062	-	685,292
Other underwriting expenses	124,854	47,195	-	172,049
Employee benefit expense	377,725	255,330	-	633,055
Depreciation and amortization	108,286	49,011	15	157,312
Impairment loss	59,685	100	7,092	66,877
Other expenses	863,663	124,249	1,121	989,033
Net expenses	2,568,050	879,779	8,228	3,456,057
Reportable segment profit	236,898	90,010	8,176	335,084
Finance cost	(21,673)	-	-	(21,673)
Profit before income tax from reportable segments	215,225	90,010	8,176	313,411
Income tax	(34,045)	(41,371)	(57)	(75,473)
Profit after income tax	181,180	48,639	8,119	237,938





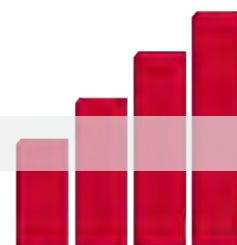
SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



5.4 SEGMENT REPORTING -2021

GROUP	NON-LIFE	HEALTHCARE	ASSET MGT	TOTAL
Revenue:				
Derived from external customers				
Gross Premium	4,871,144	1,274,949		6,146,093
Gross Premium income	4,516,683	1,274,949		5,791,632
Reinsurance expenses	(1,329,275)			(1,329,275)
Net Premium income	3,187,408	1,274,949	-	4,462,357
Commission income	217,364	-		217,364
Income from non-insurance subsidiaries	-	-	1,715	1,715
Investment income	222,160	19,952	5,174	247,286
Realised gains/loss on FA at Amortized Cost	(316)			(316)
Net fair value gain on investment properties	-	-	-	-
Net realised gains(loss) on financial assets	(375)	-	-	(375)
Net fair value (loss)/gain on financial assets at fair value through profit or loss	5,989	208	-	6,197
Profit from concessionary arrangement	11,543	-	-	11,543
Other operating income	244,735	1581	5,543	251,859
Net income	3,888,508	1,296,690	12,432	5,197,630
Insurance claims	2,570,102	499,870	-	3,069,972
Insurance claims recovered from reinsurer	(1,711,424)	-	-	(1,711,424)
Net insurance claims	858,678	499,870	-	1,358,548
Acquisition costs	850,299	-	-	850,299
Other underwriting expenses	215,392	70,338	-	285,730
Employee benefit expense	400,327	285,244	-	685,571
Depreciation and amortization	159,256	53,506	1	212,763
Impairment loss	92,517	(8,254)	9,341	93,604
Other expenses	987,278	232,919	2,756	1,222,953
Net expenses	3,563,747	1,133,623	12,098	4,709,468
Reportable segment profit	324,761	163,067	334	488,162
Finance cost	-	-	-	-
Profit before income tax from reportable segments	324,761	163,067	334	488,162
Income tax	(197,986)	(56,594)	(32)	(254,612)
Profit after income tax	126,775	106,473	302	233,550





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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)

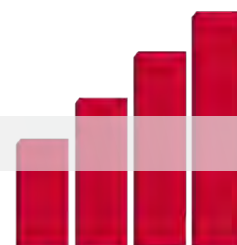


5.5 FINANCIAL ASSETS AND LIABILITIES

Accounting classification measurement basis and fair values.

The table below sets out the Group's classification of each class of financial assets and liabilities, and their fair values

(a) Group	At fair value through P&L	At fair value through OCI	At Amortized Cost	Other financial liabilities at amortized cost	Total Carrying amount	Fair Value
31 December 2021						
Cash and cash equivalents	-	-	3,108,858	-	3,108,858	3,108,858
Financial assets	98,437	1,483	209,071	-	308,991	308,991
Trade receivables	-	-	530,496	-	530,496	530,496
Other receivables excluding prepayments	-	-	632,706	-	632,706	632,706
	98,437	1,483	4,481,131	-	4,581,051	4,581,051
Insurance contract liabilities	-	-	-	3,460,109	3,460,109	3,460,109
Trade and other payables	-	-	-	887,241	887,241	887,241
Borrowings	-	-	-	-	-	-
	-	-	-	4,347,350	4,347,350	4,347,350
31 December 2020						
Cash and cash equivalents	-	-	3,369,342	-	3,369,342	3,369,342
Financial assets	92,777	1,931	2,793,934	-	2,888,642	2,888,642
Trade receivables	-	-	323,392	-	323,392	323,392
Other receivables excluding prepayments	-	-	404,011	-	404,011	404,011
	92,777	1,931	6,890,679	-	6,985,387	6,985,387
Insurance contract liabilities	-	-	-	2,584,605	2,584,605	2,584,605
Trade and other payables	-	-	-	783,230	783,230	783,230
Borrowings	-	-	-	-	-	-
	-	-	-	3,367,835	3,367,835	3,367,835





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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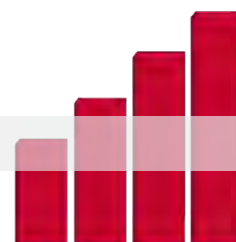
(b) FINANCIAL ASSETS AND LIABILITIES

Accounting classification measurement basis and fair values.

The table below sets out the Company's classification of each class of financial assets and liabilities, and their fair values

Company	At fair value through P&L	At fair value through OCI	At Amortized Cost	Other financial liabilities at amortized cost	Total Carrying amount	Fair Value
31 December 2021						
Cash and cash equivalents	-	-	2,890,949	-	2,890,949	2,890,949
Financial assets	40,465	1,483	209,071	-	251,019	251,019
Trade receivables	-	-	5,205	-	5,205	5,205
Other receivables excluding prepayments	-	-	377,785	-	377,785	377,785
	40,465	1,483	3,483,010	-	3,524,958	3,524,958
Insurance contract liabilities	-	-	-	3,460,109	3,460,109	3,460,109
Trade and other payables	-	-	-	624,034	624,034	624,034
Borrowings	-	-	-	-	-	-
	-	-	-	4,084,143	4,084,143	4,084,143

Company	At fair value through P&L	At fair value through OCI	At Amortized Cost	Other financial liabilities at amortized cost	Total Carrying amount	Fair Value
31 December 2020						
Cash and cash equivalents	-	-	3,121,509	-	3,121,509	3,121,509
Financial assets	42,688	1,931	2,793,934	-	2,838,553	2,838,553
Trade receivables	-	-	17,424	-	17,424	17,424
Other receivables excluding prepayments	-	-	280,431	-	280,431	280,431
	42,688	1,931	6,213,298	-	6,257,917	6,257,917
Insurance contract liabilities	-	-	-	2,584,605	2,584,605	2,584,605
Trade and other payables	-	-	-	740,907	740,907	740,907
Borrowings	-	-	-	-	-	-
	-	-	-	3,325,512	3,325,512	3,325,512





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5.6 FAIR VALUE HIERARCHY

The Group's accounting policy and basis of fair value measurements are disclosed under notes 3.

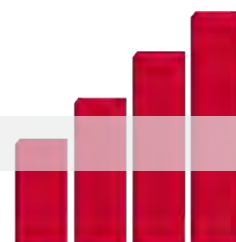
Level 1: Quoted market price in an active market for an identical instrument

Level 2: Valuation techniques based on observable inputs. This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for similar instruments in market that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: This includes financial instruments, the valuation of which incorporate significant inputs for the asset or liability that is not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product. These inputs are generally determined based on inputs of a similar nature, historic observations on the level of the input or analytical techniques.

The table below analyses financial instruments measured at fair value at the end of the year, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1	Level 2	Level 3	Total balance
Group- December 31, 2021				
Assets				
Equity securities - Held for trading	98,437	-	-	98,437
Financial assets measured at fair value	98,437	-	-	98,437
Group- December 31, 2020				
Assets				
Equity securities - Held for trading	92,777	-	-	92,777
Financial assets measured at fair value	92,777	-	-	92,777
Company- December 31, 2021				
Assets				
Equity securities - Held for trading	40,465	-	-	40,465
Financial assets measured at fair value	40,465	-	-	40,465
Company- December 31, 2020				
Assets				
Equity securities - Held for trading	42,688	-	-	42,688
Financial assets measured at fair value	42,688	-	-	42,688





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



6 CASH AND CASH EQUIVALENTS

6a. For the purpose of the cash flow statement, cash and cash equivalents comprise the following balances with original maturity of less than 90 days.

	Group 2021	Group 2020	Company 2021	Company 2020
Cash in hand	292	0	26	0
Cash at bank	354,895	152,848	171,899	117,816
Deposit & Placements with financial institutions	2,758,515	3,225,156	2,723,866	3,012,089
	3,113,702	3,378,004	2,895,791	3,129,905
Less: ECL Impairment Loss	(4,844)	(8,662)	(4,842)	(8,396)
	3,108,858	3,369,342	2,890,949	3,121,509

Deposits with banks earned interest at floating rates based on the daily rates. Cash and deposits are available for use in the company's day-to-day operations.

6b. Cash & cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

Cash & cash equivalents	3,108,858	3,369,342	2,890,949	3,121,509
Bank overdraft	-	-	-	-
	3,108,858	3,369,342	2,890,949	3,121,509

6c. Movement in ECL Impairment Loss

	Group 2021	Group 2020	Company 2021	Company 2020
Balance as at January 1,	8,662	3,186	8,396	3,037
Increase /(decrease) during the year	(3,818)	5,476	(3,554)	5,359
ECL Impairment write-back	-	-	-	-
Balance as at December 31	4,844	8,662	4,842	8,396

7 FINANCIAL ASSETS

The Group's financial assets are summarized below by measurement category in the table below:

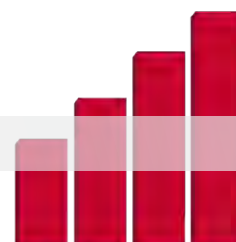
	Group 2021	Group 2020	Company 2021	Company 2020
Fair value through profit or loss (see note 7.1 below)	98,437	92,777	40,465	42,688
	1,483	1,931	1,483	1,931
Fair value through Other Comprehensive Income (see note 7.2) Held at amortised cost (see note 7.3)	209,071	2,793,934	209,071	2,793,934
Total financial assets	308,991	2,888,642	251,019	2,838,553
Current	307,508	2,886,711	249,536	2,836,622
Non-current	1,483	1,931	1,483	1,931

7a Details of fair value through profit or loss is as follows:

Balance 1 January	92,777	79,843	42,688	35,224
Purchases during the year	7,675	-	-	-
Disposal during the year	(8,212)	-	(8,212)	-
Net fair value gain/(loss)	6,197	12,934	5,989	7,464
	98,437	92,777	40,465	42,688

7b Realised gain/(loss) from disposal of fair value through profit or loss financial assets

Fair value of consideration received	7,837	-	7,837	-
Less:				
Fair value of financial assets sold	(8,212)	-	(8,212)	-
Realised (loss)/gain	(375)	-	(375)	-





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7.1 Financial assets at fair value through profit or loss

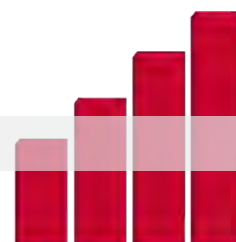
These are equity securities as analysed below:

	Group 2021	Group 2020	Company 2021	Company 2020
Access Bank	1,470	1,336	1,161	1,055
Africa Prudential Registrar Plc	55	54	-	-
Dangote Cement	8,905	8,485	7,620	8,485
Dangote Sugar	708	716	708	716
Deap Capital	357	447	357	447
ETI	12	8	-	-
FBN Holdings	27,622	17,324	7,275	7,780
GTB	29,974	37,294	3,974	4,944
Guinea Ins	100	100	100	100
Guinness	326	159	326	159
International Breweries	39	47	39	47
National Salt Company Plc	317	348	-	-
Nestle	5,540	5,356	5,540	5,356
Nigeria Breweries	1,183	1,325	1,183	1,325
Regency	3,565	1,643	2,805	1,210
STACO	264	264	264	264
Sterling Bank	372	503	-	-
Total	53	31	53	31
UAC	145	111	145	111
UBA	3,125	3,358	815	876
UBA Capital Plc	344	164	-	-
Union Homes	47	47	47	47
Universal Insurance Company Plc	200	200	-	-
UPDC Reit	10	-	10	-
WAPCO	489	430	489	430
Wapic	13	9	9	7
Zenith Bank	13,202	13,018	7,545	9,298
	98,437	92,777	40,465	42,688

7.2 At fair value through OCI financial assets

These represent interest in unquoted companies as analyzed below

	Group 2021	Group 2020	Company 2021	Company 2020
Trustbond Mortgage Bank	1,483	1,931	1,483	1,931
FCSL Asset Management Company Limited	-	-	-	-
	1,483	1,931	1,483	1,931
Fair value as at January 1	1,931	8,099	1,931	8,099
Disposal during the period	-	(6,168)	-	(6,168)
Fair value gain/(loss)	(448)	-	(448)	-
Non-current	1,483	1,931	1,483	1,931





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7.2.1 At Fair value through OCI financial assets represent the Group's investments in unlisted securities in other corporate entities. The investment is carried at fair value based on the net assets value of the group's investments in the other corporate entities and where determinable the market price of the Investment.

7.2.2 Realised gain/(loss) from disposal of fair value through OCI

	Group 2021	Group 2020	Company 2021	Company 2020
Fair value of consideration received	-	7,500	-	7,500
less:				
Fair value of financial assets sold	-	(6,168)	-	(6,168)
	-	1,332	-	1,332

7.3 Financial assets measured at amortized costs

	Group 2021	Group 2020	Company 2021	Company 2020
FGN Treasury bills	209,112	-	209,112	-
FGN Bonds	-	194,221	-	194,221
CBN Special bills	-	2,600,070	-	2,600,070
	209,112	2,794,291	209,112	2,794,291
ECL Impairment at the reporting date	(41)	(357)	(41)	(357)
	209,071	2,793,934	209,071	2,793,934
Current	209,071	2,793,934	209,071	2,793,934
Non-current	-	-	-	-

The movement in the financial assets measured at amortized costs is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
Opening balance	2,794,291	3,827,045	2,794,291	3,544,877
Addition (Assets purchased) during the year	209,112	2,800,252	209,112	2,800,252
Accrued interest	-	-	-	-
Repayment (Assets derecognised or matured) during the year	(2,794,291)	(3,833,006)	(2,794,291)	(3,550,838)
ECL impairment at the reporting date	-	-	-	-
Closing balance	209,112	2,794,291	209,112	2,794,291

7.3.1 Computation of Realised gain on Financial Asset at Amortised Cost

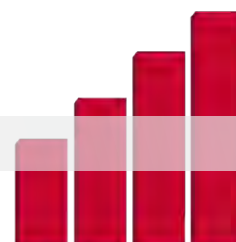
	Group 2021	Group 2020	Company 2021	Company 2020
Proceed from disposal of FBN Bonds & CBN Special Bills	2,793,975		2,793,975	
Less: the carrying amount of FBN Bonds & CBN Special Bills	(2,794,291)		(2,794,291)	
	(316)		(316)	

8.0 TRADE RECEIVABLES

	Group 2021	Group 2020	Company 2021	Company 2020
Insurance receivables (Note 8.1)	5,205	17,424	5,205	17,424
Other trade receivables (Note 8.2)	588,924	351,210	-	-
	594,129	368,634	5,205	17,424
Less: provision for impairment (Note 8.3)	(63,633)	(45,242)	-	-
Trade Receivables	530,496	323,392	5,205	17,424

8.1 The movement in insurance receivables is shown below

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at the beginning	17,424	5,978	17,424	5,978
Additions during the year	6,146,093	4,208,976	4,871,144	3,270,464
Payment received during the year	(6,158,312)	(4,197,530)	(4,883,363)	(3,259,018)
Balance at the end of the year	5,205	17,424	5,205	17,424





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8.1b The age analysis of Gross Insurance Receivables as at the end of the year is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
0-30days	5,205	17,424	5,205	17,424
Above 30 days	-	-	-	-
Total	5,205	17,424	5,205	17,424

8.2 The make up of other trade receivables are as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
Trade Receivables from operations of Sunu Health Nigeria Ltd	540,008	303,590	-	-
Trade Receivables from operations of EA Capital Management Ltd	48,916	47,620	-	-
Total	588,924	351,210	-	-

8.2a The movement in Other trade receivables is shown below:

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at the beginning	351,210	184,095	-	-
Additions during the year	1,274,949	949,764	-	-
Payment received during the year	(1,037,235)	(782,649)	-	-
Bad debts written off	-	-	-	-
Write off of provision	-	-	-	-
Balance at the end of the year	588,924	351,210	-	-

8.3 The movement in provision for impairment in Other trade receivables is shown below:

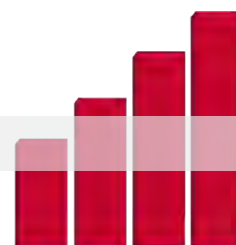
	Group 2021	Group 2020	Company 2021	Company 2020
Balance at the beginning	45,242	41,293	-	-
Additions during the year	18,391	3,949	-	-
Write off of provision	-	-	-	-
Provision derecognised	-	-	-	-
Balance at the end of the year	63,633	45,242	-	-

8.4 The age analysis of gross trade receivables as at the end of the year is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
0- 90 days	157,801	205,416	5,205	17,424
91- 180 days	124,026	60,147	-	-
Above 180 days	312,302	103,071	-	-
Total	594,129	368,634	5,205	17,424

9.0 REINSURANCE RECEIVABLES

	Group 2021	Group 2020	Company 2021	Company 2020
Prepaid re-insurance (9.1)	500,121	302,113	500,121	302,113
Reinsurers' share of outstanding claims (Note 9.2)	897,456	415,725	897,456	415,725
Reinsurers' share of IBNR (Note 9.3)	225,598	220,522	225,598	220,522
Reinsurers' share of claims paid (Note 9.4)	106,909	172,934	106,909	172,934
	1,730,084	1,111,294	1,730,084	1,111,294





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9.1 PREPAID RE-INSURANCE

The movement in prepaid reinsurance is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at January 1	302,113	226,392	302,113	226,392
Reinsurance cost during the year (Note 33)	1,527,283	1,003,726	1,527,283	1,003,726
Reinsurance expenses (Note 33)	(1,329,275)	(928,005)	(1,329,275)	(928,005)
Balance at December 31	500,121	302,113	500,121	302,113

9.2 The movement in reinsurance share of outstanding claim is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at January 1	415,725	869,320	415,725	869,320
Changes during the year (Note 35)	481,731	(453,595)	481,731	(453,595)
Balance at December 31	897,456	415,725	897,456	415,725

9.3 The movement in reinsurance share of IBNR

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at January 1	220,522	94,973	220,522	94,973
Changes during the year (Note 35)	5,076	125,549	5,076	125,549
Balance at December 31	225,598	220,522	225,598	220,522

9.4 The movement in reinsurance share of recoverable on claims paid

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at January 1	172,934	88,641	172,934	88,641
Reinsurance recoveries from claims paid (Note 35)	1,202,180	797,224	1,202,180	797,224
Receipt from Reinsurance during the year	(1,179,744)	(690,751)	(1,179,744)	(690,751)
Impairment	(88,461)	(22,180)	(88,461)	(22,180)
Balance at December 31	106,909	172,934	106,909	172,934

9.4.1 Movement in ECL Impairment Loss on reinsurance share of recoverable on claims paid

	Group 2021	Group 2020	Company 2021	Company 2020
Balance as at January 1	22,180	-	22,180	-
Increase/(decrease) during the year - Note 42	66,281	22,180	66,281	22,180
ECL Impairment writ back	-	-	-	-
Balance as at December 31	88,461	22,180	88,461	22,180

(i) Reinsurance receivables are to be settled on demand and the carrying amount is not significantly different from the fair value.

(ii) Reinsurance assets are not impaired as balances are set-off against payables from retrocession.

9.4.2 Changes in reinsurance share of recoverable on claims paid

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at January 1	172,934	88,641	172,934	88,641
Charges during the year (Note 35)	(66,025)	84,293	(66,025)	84,293
Balance at December, 31	106,909	172,934	106,909	172,934

9.4.3 Changes in reinsurance share of recoverable on claims paid during the year analysed :

	Group 2021	Group 2020	Company 2021	Company 2020
Increase/(decrease) in reinsurance share of recoverable on claims paid during the year (Note 35)	22,436	106,473	22,436	106,473
Increase/(decrease) in ECL impairment on reinsurance share of recoverable on claims paid during the year (Note 42)	(88,461)	(22,180)	(88,461)	(22,180)
Balance at December 31	(66,025)	84,293	(66,025)	84,293

10.0 DEFERRED ACQUISITION COSTS

This represents commission on unearned premium relating to the unexpired tenure of risk and the movement in deferred acquisition costs is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
At 1 January	157,227	118,311	157,227	118,311
Additions in the year (Note 18.1)	917,875	724,208	917,875	680,146
Expensed during the year (Note 36)	(850,299)	(685,292)	(850,299)	(641,230)
At 31 December	224,803	157,227	224,803	157,227

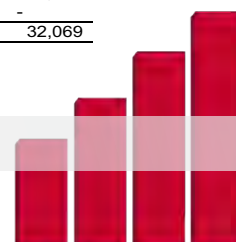
Deferred policies acquisition expenses will be recognized as an expense within 12 months after the reporting date.

11 OTHER RECEIVABLES AND PREPAYMENT

	Group 2021	Group 2020	Company 2021	Company 2020
Other receivables (11.2)	240,340	157,005	146,377	110,105
Due from Equity Resort Hotel (Note 11.3)	401,125	248,771	236,518	166,468
Due from Related companies (Note 11.4)	34,887	50,995	34,886	35,927
Due from Staff	7,935	4,411	7,935	4,310
Prepayments	57,780	211,761	57,780	189,527
	742,067	672,943	483,496	506,337
Less: Impairment	(43,646)	(52,760)	(39,996)	(32,069)
	698,421	620,183	443,500	474,268
Current	340,942	424,172	246,978	339,869
Non-current	401,125	248,771	236,518	166,468

11.1 Movement in ECL Impairment Loss on other Receivables

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at January 1	52,760	17,248	32,069	-
Increase/(decrease) during the year	(9,114)	35,512	7,927	32,069
Write-back/Write-off during the year	-	-	-	-
Balance at December 31	43,646	52,760	39,996	32,069





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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11.2 OTHER RECEIVABLES

	Group 2021	Group 2020	Company 2021	Company 2020
Investment receivables	3,315	9,867	3,315	9,867
Withholding tax receivables	85,078	83,766	85,078	83,664
Sundry receivables	151,947	63,372	57,984	16,574
At 31 December	240,340	157,005	146,377	110,105

- 11.2.1 Investment receivables comprise of interest receivables from CBN Treasury Bill
Sundry receivables comprises of receivables on Accounts, other assets and option securities Limited

11.3 DUE FROM EQUITY RESORT HOTEL

	Group 2021	Group 2020	Company 2021	Company 2020
LIMITED				
At 1 January	248,771	144,249	166,468	61,946
Reimbursable expenses incurred	144,811	128,012	62,507	128,012
Repayment during the year	(4,000)	-	(4,000)	-
(Loss)/Profit from concessionary arrangement	11,543	(23,490)	11,543	(23,490)
At 31 December	401,125	248,771	236,518	166,468

- 11.3.1 These are additional advance to Equity Resort Hotel under a concessionary arrangement with Ogun State Government

11.4 DUE FROM RELATED PARTIES

	Group 2021	Group 2020	Company 2021	Company 2020
Equity Micro Life Insurance Company Limited	2,062	2,062	2,062	2,062
SUNU Assurances Limited, Ghana	27,334	27,185	27,334	27,185
SUNU Assurances Liberia Company Limited	4,882	4,707	4,882	4,707
Shanu Medical centre	-	16,266	-	-
SUNU Assurances vie cote d'ivoire	-	775	-	-
SUNU Health Nigeria Limited	609	-	609	1,973
At 31 December	34,887	50,995	34,887	35,927

- 11.4.1 These are related parties transactions with other company within the group by way of intercompany balancing

12 INVESTMENT IN SUBSIDIARIES

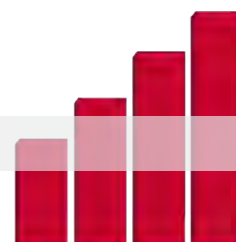
	Group 2021	Group 2020	Company 2021	Company 2020
EA Capital Management Limited	-	-	278,294	278,294
SUNU Health Nigeria Limited	-	-	398,751	390,791
	-	-	677,045	669,085
The movement in Investment in subsidiaries is as follows:				
Opening balance	-	-	669,085	659,624
Additions during the year in SUNU Health Nig Ltd	-	-	7,960	9,461
Closing balance	-	-	677,045	669,085

Principal subsidiary undertakings:

The Group is controlled by SUNU Assurances Nigeria Plc "the company" (incorporated in Nigeria). The controlling interest of Sunu Assurances Nigeria Plc in the Group entities is disclosed in the table below:

Company name	Nature of business	% of equity capital controlled	
		Dec-21	Dec-20
EA Capital Management Limited	Asset management	100	100
SUNU Health Nigeria Limited (formerly Managed HealthCare Services Limited)	Health management	67.3	65.42

- EA Capital Management Limited was incorporated on October 29, 2008 as a private limited liability company primarily to carry on the business of finance leases to both individual and corporate clients. Its registered office is at Plot 1196 Bishop Oluwole Street, Victoria Island, Lagos, Nigeria.
- SUNU Health Nigeria Limited (formerly Managed HealthCare Services Limited) was incorporated on December 11, 1997 to carry on the business of health management. It is a nationally licensed Health Management Organization (HMO), accredited by the National Health Insurance Scheme (NHIS). It has its head office at 16 Obokun street, off Coker road, Ilupeju, Lagos, Nigeria and twelve branches across major cities in Nigeria.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



13 INVESTMENT PROPERTIES

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at 1 January	397,901	390,351	342,000	336,000
Additions	5,590		5,590	
Revaluation		7,550		6,000
Balance at 31 December	403,491	397,901	347,590	342,000

The investment properties are being held as follows:

Investment properties held by the Company	347,590	342,000	347,590	342,000
Investment properties held by EA Capital	55,901	55,901	-	-
	403,491	397,901	347,590	342,000

	Group 1-Jan-21	Company 1-Jan-21	Additions during the year	Improvements during the year	Fair value adjustments recognised in profit or)	Group 2021	Company 2021
13.1	397,901	342,000	-	5,590	-	403,491	347,590

The improvements in the value of investment properties during the year was as a result of renovation works carries out at one of the apartment at the lofts, Sangotedo, Lagos and there was no disposal of investment properties during the year(2020:Nil). The Investment Properties were independently valued by Timothy Oyeyemi of Timothy Oyeyemi & Partners, Estate Surveyor and valuers with FRC No FRC/2015/NISSV/000000004761 on December 29, 2021 to ascertain the open market value using the market comparison approach through analysis of recent transaction of sale of comparable properties in the neighbourhood. The description, location and valuation of the investment properties are as follows:

S/N	Description	Title Document	Location of Properties	Valuation(N'000)
1	6 Nos 4 bedroom Semi Detached Prototype Duplexes	C OF O	Diamond Estate, Sangotedo along Cardinal Anthony Okojie (Otherwise known as New Road) off Lagos- Epe Expressway, Lagos, Nigeria	347,590
Total Investment property for the Company				347,590
2	3 Bedroom all en-suit flat	C OF O	Flat 103, Seagle Towers Odudu Road, Oniru, Victoria Island, Lagos, Nigeria	55,901
Total Investment properties for the Group (1+2)				403,491

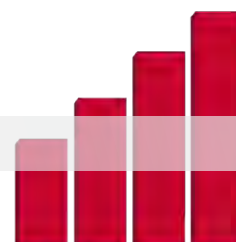
14 INTANGIBLE ASSETS

	Group 2021	Group 2020	Company 2021	Company 2020
COST				
Balance at 1 January	1,295,823	1,281,448	1,245,242	1,245,242
Additions	32,409	14,375	2,875	-
Balance on 31 December	1,328,232	1,295,823	1,248,117	1,245,242
ACCUMULATED AMORTISATION				
Balance at 1 January	611,497	552,665	581,998	532,932
Amortisation charge for the year	61,995	58,832	49,114	49,066
Balance on 31 December	673,492	611,497	631,112	581,998
Carrying value	654,740	684,326	617,005	663,244

The closing net book of the intangible assets comprises the following:

Computer Software	42,054	24,511	4,319	3,429
Leasehold improvements on Equity Resort hotels	612,686	659,815	612,686	659,815

The Parent Company was granted a concession right in 2010 by the Ogun state Government to manage the affairs of Equity Resort Hotel, Ijebu-ode for a period of 25 years. The sum of N1.152 billion was spent to refurbish the hotel to enable it meet international standards. This sum above represents the carrying amount at cost of the improvements carried out on the hotel after testing for impairment





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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)

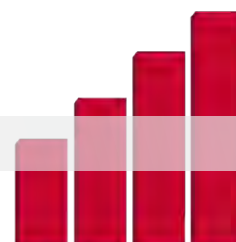


15.1 PROPERTY, PLANT AND EQUIPMENT (GROUP)

	Land	Buildings	Office Equipment	Motor Vehicles	Furniture and Fittings	ICT Equipment	Bill Board	Total
COST								
At 1 January 2021	199,812	473,186	149,620	456,056	69,468	63,962	10,411	1,422,515
Additions	1,000,000	2,005,431	7,636	202,895	5,970	5,898	-	3,227,830
Disposals	-	(4,200)	(1,076)	(49,380)	(65)	(867)	-	(55,588)
Revaluation	-	-	-	-	-	-	-	-
At 31 December 2021	1,199,812	2,474,417	156,180	609,571	75,373	68,993	10,411	4,594,757
At 1 January 2020	199,812	473,186	140,477	451,206	67,839	57,939	10,411	1,400,870
Reclassification	-	-	-	-	-	-	-	-
Additions	-	-	9,143	19,860	1,677	6,023	-	36,703
Disposals	-	-	-	(15,010)	(48)	-	-	(15,058)
Revaluation	-	-	-	-	-	-	-	-
At 31 December 2021	199,812	473,186	149,620	456,056	69,468	63,962	10,411	1,422,515
ACCUMULATED DEPRECIATION								
At 1 January 2021	-	41,953	115,628	303,334	52,677	44,478	3,621	561,691
Charge for the year	-	45,503	10,282	81,672	5,792	5,646	1,874	150,769
Disposals	-	-	(916)	(46,876)	(64)	(780)	-	(48,636)
At 31 December 2021	-	87,456	124,994	338,130	58,405	49,344	5,495	663,824
At 1 January 2020	-	36,466	105,053	248,439	46,978	39,588	1,747	478,271
Charge for the year	-	5,487	10,575	69,905	5,747	4,890	1,874	98,478
Disposals	-	-	-	(15,010)	(48)	-	-	(15,058)
At 31 December 2020	-	41,953	115,628	303,334	52,677	44,478	3,621	561,691
CARRYING VALUE								
At 31 December, 2021	1,199,812	2,386,961	31,186	271,441	16,968	19,649	4,916	3,930,933
At 31 December, 2020	199,812	431,233	33,992	152,722	16,791	19,484	6,790	860,824

15.1.1 Disposal of Property, Plant & Equipment during the year - Group

	Land	Buildings	Office Equipment	Motor Vehicles	Furniture & Fittings	ICT Equipment	Bill Board	Total
Cost at date of disposal	-	4,200	1,076	49,380	65	867	-	55,588
Accumulated depreciation	-	-	916	46,876	64	780	-	48,636
NBV at date of disposals	-	4,200	160	2,504	1	87	-	6,952
Proceeds from disposal	-	5,000	608	4,990	30	359	-	10,986
Profit on disposal (Note 41)	-	800	448	2,486	29	272	-	4,034





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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15.2 PROPERTY, PLANT AND EQUIPMENT (COMPANY)

COST	Land	Buildings	Office Equipment	Motor Vehicles	Furniture & Fittings	ICT Equipment	Bill Board	Total
At 1 January 2021	199,812	28,600	74,974	302,573	44,007	63,195	10,411	723,572
Additions	1,000,000	2,000,350	2,100	165,457	5,414	5,890	-	3,179,211
Disposals	-	-	(891)	(43,230)	(65)	(867)	-	(45,053)
At 31 December 2021	1,199,812	2,028,950	76,183	424,800	49,356	68,218	10,411	3,857,730
At 1 January 2020	199,812	28,600	73,751	295,751	43,660	57,172	10,411	709,157
Additions	-	-	1,223	6,820	347	6,023	-	14,413
On disposals	-	-	-	-	-	-	-	-
At 31 December 2020	199,812	28,600	74,974	302,571	44,007	63,195	10,411	723,570
ACCUMULATED DEPRECIATION								
At 1 January 2021	-	4,004	59,361	211,624	38,404	43,748	3,621	360,762
Charge for the year	-	40,554	3,053	56,945	2,071	5,646	1,874	110,143
Disposals	-	-	(792)	(40,736)	(64)	(780)	-	(42,372)
At 31 December 2021	-	44,558	61,622	227,833	40,411	48,614	5,495	428,533
At 1 January 2020	-	3,432	55,840	165,450	36,214	38,856	1,747	301,539
Charge for the year	-	572	3,521	46,173	2,190	4,890	1,874	59,220
On disposals	-	-	-	-	-	-	-	-
Transfer to revaluation reserve	-	-	-	-	-	-	-	-
At 31 December 2020	-	4,004	59,361	211,623	38,404	43,746	3,621	360,759
CARRYING VALUE								
At 31 December 2021	1,199,812	1,984,392	14,561	196,967	8,945	19,604	4,916	3,429,197
At 31 December 2020	199,812	24,596	15,613	90,948	5,603	19,449	6,790	362,811

Disposal of Property, Plant & Equipment during the year - Company

	Land	Buildings	Office Equipment	Motor Vehicles	Furniture & Fittings	ICT Equipment	Bill Board	Total
Cost at date of disposal	-	-	891	43,230	65	867	-	45,053
Accumulated depreciation	-	-	792	40,736	64	780	-	42,372
NBV at date of disposals	-	-	99	2,494	1	87	-	2,681
Proceeds from disposal	-	-	600	4,990	30	36	-	5,656
Profit on disposal (Note 41)	-	-	501	2,496	29	(51)	-	2,975

S/N	Description	Title Document	Location of Properties	Valuation(N'000)
1	Leasehold Land	C OF O	Plot 1196, Bishop Oluwole Street, Victoria Island, Lagos	1,000,000

S/N	Description	Title Document	Location of Properties	Valuation(N'000)
1	Head Office Building	C OF O	Plot 1196, Bishop Oluwole Street, Victoria Island, Lagos	2,000,350

15.2.1 Valuation of properties

Land and building held by Sunu Assurances Nigeria Plc was independently valued by Timothy Oyeyemi & Partners, Estate surveyors and valuers with FRC No. FRC/2015/NIESV/000000004761 on December 29, 2021 to ascertain the open market value of the land and building. The fair value of land and buildings is determined by discounting the expected cash flows of the properties based upon internal plans and assumptions and comparable market transactions. The work was carried out by Mr. Timothy Oyeyemi with FRC NO. FRC/2015/NIESV/000000004761

15.2.2 Assets pledged as security

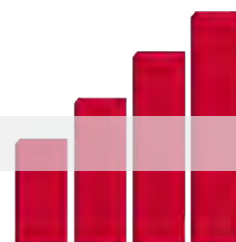
None of the Company's property, plant and equipment was pledged as security for facility.

15.2.3 Capital commitment

The Group had no commitments for capital expenditure as at the statement of financial position date (2021: Nil) and no borrowing costs was capitalised in the current year (2021: Nil)

15.2.4 There were no impairment losses recognized during the year (2021:nil).

15.2.5 Land was not depreciated





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16 STATUTORY DEPOSIT

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at the beginning	315,000	315,000	315,000	315,000
Additions during the year	-	-	-	-
Closing balance	315,000	315,000	315,000	315,000

These represent deposits with the Central Bank of Nigeria in accordance with Section 10(3) of the Insurance Act CAP I17 LFN 2004.

17 INSURANCE CONTRACT LIABILITIES

	Group 2021	Group 2020	Company 2021	Company 2020
Claims reported and loss adjustment expenses (17.1)	1,844,893	1,372,196	1,844,893	1,372,196
Claims incurred but not reported (17.2)	398,161	349,815	398,161	349,815
Unearned premiums (17.3)	1,217,055	862,594	1,217,055	862,594
Total Insurance contract liabilities, gross	3,460,109	2,584,605	3,460,109	2,584,605
Reinsurance receivables	1,123,054	636,247	1,123,054	636,247
Net insurance contract liabilities	2,337,055	1,948,358	2,337,055	1,948,358

Valuation of Insurance Contract Liabilities

The company Insurance Contract liabilities Non-Life business is established at the end of the year by Logic Professional Services with FRC No. FRC/2020/00000013617. The report was signed by Popoola Oladayo with FRC No. FRC/2021/004/00000024194.

17.1 The movement in claims reported and loss adjustment expenses is as follows

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at the beginning of the year	1,372,196	1,997,730	1,372,196	1,997,730
Increase during the year (Note 35)	472,697	(625,534)	472,697	(625,534)
Balance at the end of the year	1,844,893	1,372,196	1,844,893	1,372,196

The Age Analysis of Outstanding Claims in thousands of Nigerian Naira as at December 31, 2021 is as follows:

Amount Range	0 - 90 Days	91 - 180 Days	181 - 270 Days	271 - 365 Days	366 Days and Above	Total
1 - 250,000	13,105	7,203	5,428	5,578	24,330	55,644
250,001 - 500,000	19,168	13,966	8,544	12,594	24,256	78,528
500,001 - 1,500,000	35,869	28,946	12,899	14,307	52,551	144,572
1,500,001 - 2,500,000	29,252	10,443	10,117	11,422	32,120	93,354
2,500,001 - 5,000,000	37,562	49,511	20,908	51,383	47,683	207,047
Above 5,000,001	372,182	211,864	71,001	120,767	489,934	1,265,748
TOTAL	507,138	321,933	128,897	216,051	670,874	1,844,893
Number of Claimants	276	184	118	133	406	1,117

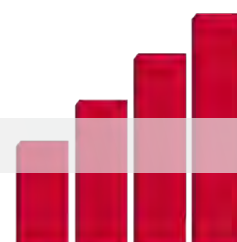
Of the outstanding claims, 72.51% are above 90days holding period with 61.63% of those being related to pending substantiating documentations; 2.90% related to awaiting adjusters' report while 7.98% related to discharge Vouchers having been issued but yet to be returned for settlement by our customers.

17.2 The movement in claims incurred but not reported is as follows

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at the beginning of the year	349,815	207,868	349,815	207,868
(Decrease)/increase during the year (Note 35)	48,346	141,947	48,346	141,947
Balance at the end of the year	398,161	349,815	398,161	349,815

17.3 The movement in Unearned Premium is as follows

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at the beginning of the year	862,594	677,481	862,594	677,481
Increase during the year (Note 32)	354,461	185,113	354,461	185,113
Balance at the end of the year	1,217,055	862,594	1,217,055	862,594





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18 TRADE PAYABLES

Trade payables represent liabilities to Agents, Brokers, insured and Re-insurers as at year end.

	Group 2021	Group 2020	Company 2021	Company 2020
Reinsurance and Coinsurance payable	42,084	5,371	42,084	5,371
Commission payable (Note 18.1)	962	2,570	962	1,158
Deposit for premium	120,636	140,923	120,636	140,923
Other trade payables	-	15,921	-	-
	163,682	164,785	163,682	147,452

18.1 Commission payable

Balance at the beginning of the year	2,570	7,245	1,158	1,924
Additions during the year (Note 10)	917,875	724,208	917,875	680,146
Payment during the year	(919,483)	(728,883)	(918,071)	(680,912)
Balance at the end of the year	962	2,570	962	1,158

19 OTHER PAYABLES

	2021	2020	2021	2020
Due to related parties (Note 19.1)	28,232	35,062	184,380	198,231
Deferred income (Note 19.2)	96,346	80,886	-	-
Dividend payable	26,491	26,491	26,491	26,491
Withholding tax payable	23,490	30,306	13,417	22,311
Staff pension and gratuity	4,295	4,295	4,295	4,295
Unclaimed dividend	30,790	28,421	30,790	28,421
Interest received in advance	4,952	48	4,885	48
Unearned commission (Note 34)	58,508	46,896	58,508	46,896
Penalty due to NAICOM (Note 19.3)	-	173,323	-	173,323
Sundry creditors (Note 19.4)	249,348	109,808	92,604	49,025
Accrued expenses (Note 19.4)	201,107	82,909	44,982	44,414
	723,559	618,444	460,352	593,455
Current	627,213	537,558	460,352	593,455
Non-current	96,346	80,886	-	-

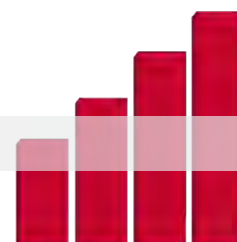
19.1 DUE TO RELATED PARTIES

EA Capital Management Limited	-	-	156,148	163,169
Sunu Health Nigeria Limited	-	-	-	-
Due to Sunu Group	28,232	35,062	28,232	35,062
	28,232	35,062	184,380	198,231

19.2 This represents unearned income from the businesses of EA Capital Management Limited- N10.988Million (2020-N11.171Million) and Sunu Health Nigeria Limited- N69.898Million (2020-N85.175Million).

19.3 This sum represents penalty imposed on the Company by NAICOM for failure to obtain its approval before ceding out an aviation business to a foreign reinsurance company which contravenes provision of section 72(4) of the Insurance Act, 2003. The Company paid total sum of \$1,419,515 in Naira to NAICOM.

19.4 This represent majorly trade and other payables from the transaction of Sunu Health and fees & assessment, ITF and other sundry creditors while accrued expenses comprises of various amount owned service providers and operational expenses incurred.





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20 DEPOSIT FOR SHARES

	Group 2021	Group 2020	Company 2021	Company 2020
At January 1	3,010,800	5,825	3,010,800	-
Daewoo bond repayment in consideration of shares in Sunu Assurances Nigeria Plc by:				
SUNU Assurances Vie Cote Divoire		1,129,050	-	1,129,050
SUNU Participation Holding SA		1,881,750	-	1,881,750
Utilised as follows:				
Transfer to share capital	(1,505,400)		(1,505,400)	
Transfer to share premium	(1,505,400)		(1,505,400)	
Refund for deposit for shares in Sunu Health Nigeria Ltd:				
Benolus Nigeria Limited		(2,395)	-	-
KYT Investments Limited		(1,303)	-	-
Patrick Korie		(355)	-	-
Joshua Enueme		(477)	-	-
Oracle Asset Limited		(1,295)	-	-
At December 31	-	3,010,800	-	3,010,800

20.1

20.1 The shareholders at its EGM on March 9, 2020 approved the conversion of Bondholders' debt to equity and in exercise of this mandate, the Board authorized SUNU Participations Holding SA and SUNU Assurances Vie Cote D'Ivoire SA to negotiate the debt with the Bondholders and settle same in exchange of ordinary shares of the company of equal value.

Prior to year end, the Company had obtained No- objection letter from NAICOM and provisional approvals from the Security and Exchange Commission (SEC), Financial Reporting Council of Nigeria (FRCN) and Nigerian Stock Exchange (NSE) for the conversion of this debt to equity through private placement.

Subsequent to year end, upon receipt of NAICOM's Capital verification report, SEC approved the allotment of shares to SUNU Participations Holding SA and SUNU Assurances vie Cote D'Ivoire. The result of the allotment was published in The Guardian and the Punch Newspapers on February 9, 2021 and their CSCS accounts have been credited.

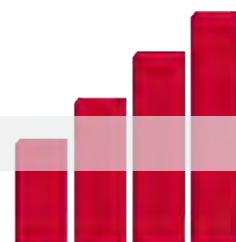
21 BORROWINGS

	Group 2021	Group 2020	Company 2021	Company 2020
Balance at January 1	-	2,989,127	-	2,989,127
Interest charges	-	-	-	-
Payment for consideration of shares by SUNU Assurances vie Cote Divoire (Note 20 above)		(1,129,050)		(1,129,050)
Payment for consideration of shares by SUNU Participations SA (Note 20 above)		(1,881,750)		(1,881,750)
Exchange difference		21,673	-	21,673
Balance as at 31 December	-	-	-	-

21.1 Convertible redeemable loan

This represents zero coupon JPY1,350,000,000 direct, unconditional, unsubordinated and unsecured European Bond with options issued to Daewoo Securities Europe Limited in 2008. The underlying Bond has a put period of 48 months with a yield to put of 4.25% per annum while the tenor of the convertible option is valid up to year 2026. The purpose for which the Bond was issued relates to upgrade of Information and Communication Technology, Expansion of Branch network and Working Capital.

The Bondholders have been fully settled and the option extinguished by SUNU Assurances Vie Cote Divoire and SUNU Participation Holding SA based on the approval obtained from the Shareholders at its Extraordinary General Meeting held on March 9, 2020. See note 20 above.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



22 CURRENT INCOME TAX LIABILITIES

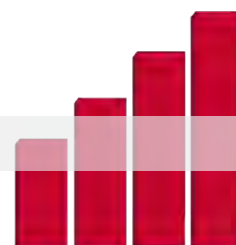
The movement in this account during the year is as follows:

	Group	Group	Company	Company
	2021	2020	2021	2020
Balance as at January 1	55,904	53,346	26,514	18,919
Charge for the year (see note 22.1 below)	223,657	48,233	197,986	34,045
WHT Tax credit offset	-	(24,277)	-	(9,825)
Payment during the year	(169,507)	(21,398)	(148,422)	(16,625)
Balance as at December 31	110,054	55,904	76,078	26,514
22.1 Company income tax				
-Sunu Assurances Nigeria Plc	52,229	-	52,229	-
-Sunu Health Nigeria Limited	20,590	13,185		
-EA Capital Management Limited	32	124		
Education Tax				
-Sunu Assurances Nigeria Plc	13,057	8,953	13,057	8,953
-Sunu Health Nigeria Limited	5,049	879		
Minimum tax				
-Sunu Assurances Nigeria Plc	0	7,713	-	7,713
National fiscal stabilisation levy/NITDA	3,051	2,122	3,051	2,122
-Sunu Assurances Nigeria Plc				
Underprovision	122,226	15,246	122,226	15,246
Police Trust fund levy				
-Sunu Assurances Nigeria Plc	15	11	15	11
Stamp Duty				
-Sunu Assurances Nigeria Plc	7,407		7,407	
	223,657	48,233	197,986	34,045
Deferred tax				
-Sunu Assurances Nigeria Plc	-	-	-	-
-Sunu Health Nigeria Limited	-	27,307	-	-
-EA Capital Management Limited		(67)		-
	-	27,240	-	-
Total tax charge for the year	223,657	75,473	197,986	34,045

The charge for Income and Education taxes in these financial statements has been based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended to date and Education Tax Act CAP E4 LFN 2004 respectively.

22.2 Actual tax charge on the Company's profit differ from the standard rate of corporate tax in Nigeria applied to profits for the year as analysed below:

Current tax on results for the year:	Company 2021	Company 2020
Income Tax	122,226	15,246
NITDA	3,051	2,122
Police Trust fund levy	15	11
Education tax	13,057	8,953
Stamp Duty	7,407	
Company income tax	52,229	
Minimum tax	-	7,713
Total current tax	197,986	34,045
Deferred tax liability		
Origination and reversal of temporary differences	-	-
Total tax expense	197,986	34,045
Tax Expense recognised in Other Comprehensive Income		
Capital Gains Tax on Revaluation Surplus	-	-





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The reasons for the difference between the actual tax charge for year and the standard rate of corporate tax in Nigeria applied to profits for the year are as follows:

	Company 2021	Company 2020
Profit/(loss) before tax	324,760	215,225
Tax at the statutory corporation tax rate of 30%	97,428	64,568
Effect of income that is exempt from taxation	6,972	(4,645)
Effect of expenses that are not deductible in determining taxable profit	(53,239)	75,276
Loss relieved	-	(134,299)
Capital allowances absorbed	104,458	-
Total fiscal profit for the year	-	-
Company Income tax	52,229	7,713
Tertiary education tax	16,123	8,953
Tax expense recognised in profit or loss statement	68,353	16,666
Effective tax rate	21.05%	7.74%

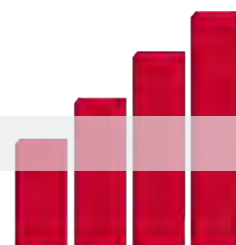
	Group 2021	Group 2020	Company 2021	Company 2020
23 DEFERRED TAX				
Balance at the beginning of the year	91,038	63,798	48,994	48,994
Charge for the year:				
- Income statement	30,955	27,240	-	-
- Other comprehensive income	(2,203)	-	(143)	-
Balance at the end of the year	119,790	91,038	48,851	48,994
Non current	119,790	91,038	48,851	48,994

23.1 Deferred income tax are attributable to the following: Company

	Opening balance as at net income 1 January 2021	Recognized in OCI	Closing Balance at 31 December 2021
Deferred tax liabilities			
Excess of NBV over TWDV	30,986	-	30,986
Unrealised Exchange gain	18,008	(143)	(143)
Revaluation Surplus	48,994	-	18,008
		(143)	48,851
Deferred tax assets			
Other timing difference items	-	-	-
Net deferred tax liabilities	48,994	(143)	48,851

	Group 2021	Group 2020	Company 2021	Company 2020
24 SHARE CAPITAL				
Authorised				
14,000,000,000 ordinary shares of 50k each	7,000,000	7,000,000	7,000,000	7,000,000
Issued and fully paid				
5,810,800,000 Ordinary shares of 50k each (2020:2,800,000,000 Ordinary shares of 50k)	2,905,400	1,400,000	2,905,400	1,400,000

24.1 The Company's Shareholders during the EGM held on March 9, 2020 approved the cancellation of 4 shares for every 5 shares held by them in the Company. The Company obtained all requisite approvals from NAICOM, Federal High Court, Corporate Affairs Commission, Securities and Exchange Commission (SEC), Nigerian Stock Exchange and the Financial Reporting Council of Nigeria for the reflection of the share cancellation in the financial statements.





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24.2 The movement in the issued and fully paid up share capital is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
Opening balance	1,400,000	7,000,000	1,400,000	7,000,000
Transfer to retained earnings	-	5,600,000	-	5,600,000
Transfer from deposit for shares	1,505,400	-	1,505,400	-
Closing balance	2,905,400	1,400,000	2,905,400	1,400,000

25 SHARE PREMIUM

	Group 2021	Group 2020	Company 2021	Company 2020
Opening balance	1,023,465	1,023,465	1,023,465	1,023,465
Transfer from deposit for shares	1,505,400		1,505,400	
	2,528,865	1,023,465	2,528,865	1,023,465
Private placement costs	(75,539)		(75,539)	
At 31 December	2,453,326	1,023,465	2,453,326	1,023,465

Share premium comprises additional paid up capital in excess of the par value. The reserve is not ordinarily available for distribution

26 CONTINGENCY RESERVES

In compliance with section 21(1) of Insurance Act 2003, the contingency reserve for general insurance business is credited with the higher of 3% of total premiums during the year or 20% of the profits until it reaches the higher of the minimum paid up share capital or 50% of net premium.

The movement in this account during the year is as follows:

	Group 2021	Group 2020	Company 2021	Company 2020
At 1 January	1,112,741	1,014,627	1,112,741	1,014,627
Transfer from retained earnings(Note 29)	146,134	98,114	146,134	98,114
At 31 December	1,258,875	1,112,741	1,258,875	1,112,741

27 ASSETS REVALUATION RESERVES

	2021	2020	2021	2020
As at 1 January	63,089	63,089	63,089	63,089
At 31 December	63,089	63,089	63,089	63,089

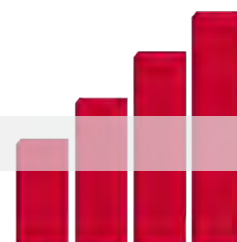
28 FAIR VALUE RESERVE

	Group 2021	Group 2020	Company 2021	Company 2020
As at 1 January	22	22	22	22
Loss on Financial Assets	(304)	-	(304)	-
At December 31	(282)	22	(282)	22

This represents loss on financial assets at fair value through Other Comprehensive Income

29 RETAINED EARNINGS

The retained earnings represents the amount available for dividend distribution to the equity shareholders of the Group. The movement in the retained earnings is shown in the statement of changes in equity.





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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	Group 2021	Group 2020	Company 2021	Company 2020
At 1 January	361,447	(5,348,715)	61,278	(5,621,788)
Total Dividend paid	(28,561)	(21,220)	-	-
Dividend due to non-controlling shares		7,338	-	-
Transfer from share capital (see 24.2 above)	-	5,600,000	-	5,600,000
Transfer from Non-Controlling Interest		1,039	-	-
Comprehensive income for the year	198,733	221,119	126,775	181,180
Transfer to contingency reserves (Note 26)	(146,134)	(98,114)	(146,134)	(98,114)
	-	-	-	-
At 31 December	385,485	361,447	41,919	61,279

30 NON-CONTROLLING INTERESTS IN EQUITY

	2021	2020
Sunu Health Nigeria Limited	262,730	241,791
The movement in non-controlling interest was as follows:	2021	2020
Balance as at 1 January	241,791	242,811
Dividend received	(13,878)	(7,338)
Transfer from NCI due to acquisition of additional shares in Sunu Health	-	(9,462)
Transfer to retained earnings due to additional shares acquired in Sunu Health		(1,039)
Transfer from the profit or loss account	34,817	16,819
	262,730	241,791

The balance at the end of 2021 represents the interest of shareholders holding 32.7% (2021: 34.58%) of the shareholding of Sunu Health Nigeria Limited.

31 RELATED PARTY TRANSACTIONS

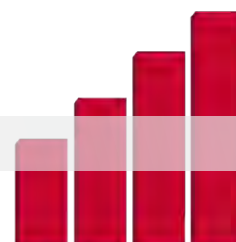
Transactions between Sunu Assurances Nigeria Plc and the subsidiaries meet the definition of related party transactions. Where these are eliminated as a result of consolidation, they are not disclosed in the consolidated financial statements.

Transactions with key management personnel

The Group's key management personnel and persons connected with them, are also considered to be related parties for disclosure purposes. The definition of key management includes close members of family of key personnel and any entity over which key management exercise control. The key management personnel have been identified as the executive and non-executive directors of the Group. Close members of family are those family members who may be expected to influence or be influenced by that individual in their dealings with Sunu Assurances Nigeria Plc.

The volume of related party transactions, outstanding balances at the year end and related expense and income for the year are as follows:

	2021	2020
(a) Loans and advances		
Balance outstanding as at January 1	35,927	32,661
Addition during the year	3,258	15,634
Repayment during the year	(4,298)	(12,368)
Balance outstanding as at 31 December	34,887	35,927
(b) Other Payables		
Balance outstanding as at January 1	198,231	94,483
Additions during the year	17,124	121,434
Payment during the year	(30,975)	(17,686)
Balance outstanding as at 31 December	184,380	198,231
(c) Key management compensation		
See note 48 for key management compensation		
(d) Sale of insurance contracts and other services		
Premium received (Note d(i))	30,848	21,338
Claims incurred	6,893	5,487
(i) Premium received relates to sale of insurance contracts in the ordinary course of business.		



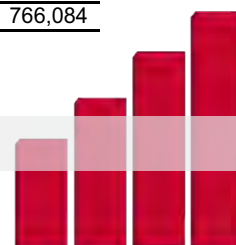


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32 NET PREMIUM INCOME	Group 2021	Group 2020	Company 2021	Company 2020
Gross direct premium written	6,059,644	4,129,225	4,784,695	3,190,713
Inward reinsurance premium	86,449	79,751	86,449	79,751
Gross premium written	6,146,093	4,208,976	4,871,144	3,270,464
Increase in unearned premiums (Note 17.3)	(354,461)	(191,124)	(354,461)	(185,113)
Gross Premium income	5,791,632	4,017,852	4,516,683	3,085,351
Less: Reinsurance costs (Note 33)	(1,329,275)	(928,005)	(1,329,275)	(928,005)
Net Premium income	4,462,357	3,089,847	3,187,408	2,157,346
33 REINSURANCE EXPENSES	Group 2021	Group 2020	Company 2021	Company 2020
Prepaid reinsurance at the beginning of the year	302,113	226,392	302,113	226,392
Additions during the year (Note 9.1)	1,527,283	1,003,726	1,527,283	1,003,726
Total	1,829,396	1,230,118	1,829,396	1,230,118
Prepaid reinsurance at the end of the year (Note 9.1)	(500,121)	(302,113)	(500,121)	(302,113)
Reinsurance expenses	1,329,275	928,005	1,329,275	928,005
34 COMMISSION INCOME	Group 2021	Group 2020	Company 2021	Company 2020
Commission received	228,976	159,218	228,976	159,218
Unearned commission b/f	46,896	43,488	46,896	43,488
Less: Unearned commission c/f	(58,508)	(46,896)	(58,508)	(46,896)
Commission income	217,364	155,810	217,364	155,810
Commission income represents commission received on transactions ceded to reinsurance Companies during the year under review.				
35 NET CLAIMS EXPENSES	Group 2021	Group 2020	Company 2021	Company 2020
Gross claims paid during the year	2,565,536	1,708,903	2,065,666	1,349,071
Less: Salvages & subrogation	(16,607)	(3,699)	(16,607)	(3,699)
Net claims paid	2,548,929	1,705,204	2,049,059	1,345,372
Changes in Outstanding claims (Note 17.1)	472,697	(625,534)	472,697	(625,534)
Changes in IBNR (Note 17.2)	48,346	141,947	48,346	141,947
Total claims and loss adjustment expenses	3,069,972	1,221,617	2,570,102	861,785
Recoverable from re-insurance	(1,711,423)	(469,178)	(1,711,423)	(469,178)
	1,358,549	752,439	858,679	392,607
Recoverable from re-insurances				
Reinsurance share of claims paid during the year (Note 9.4)	(1,202,180)	(797,224)	(1,202,180)	(797,224)
Changes in the Reinsurance share of outstanding claims (Note 9.2)	(481,731)	453,595	(481,731)	453,595
Changes in Reinsurance share of IBNR (Note 9.3)	(5,076)	(125,549)	(5,076)	(125,549)
Increase in reinsurance share of recoverable on claims paid (Note 9.4.3)	(22,436)		(22,436)	
Recoverable from re-insurances	(1,711,423)	(469,178)	(1,711,423)	(469,178)
36 UNDERWRITING EXPENSES				
Underwriting expenses can be sub-divided into acquisition and other underwriting expenses. Acquisition expenses are those incurred in obtaining and renewing insurance contracts. They include commissions or brokerage paid to agents and brokers and indirect expenses. Other underwriting expenses are those incurred in servicing existing policies. These include processing costs, preparation of statistics and reports and other incidental costs attributable to maintenance.				
	Group 2021	Group 2020	Company 2021	Company 2020
Acquisition costs (Note 10)	850,299	685,292	850,299	641,230
Other underwriting expenses	285,730	172,049	215,392	124,854
Total underwriting expenses	1,136,029	857,341	1,065,691	766,084





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37 NET INCOME FROM NON-INSURANCE COMPANIES

EA Capital Management Limited
SUNU Health Nigeria Limited

Group 2021	Group 2020	Company 2021	Company 2020
1,715	749	-	-
-	17,743	-	-
1,715	18,492	-	-

These were the revenue of non-insurance businesses of the group's subsidiaries that is, EA Capital Management Limited and SUNU Health Nigeria Limited less direct costs of generating those businesses. This is the gross profit from the group's subsidiaries that are not related to insurance businesses.

38 INVESTMENT INCOME

Cash and cash equivalents interest income
Dividend income
Rental income

Group 2021	Group 2020	Company 2021	Company 2020
200,288	312,627	187,396	298,922
30,487	19,077	26,964	15,989
16,511	13,853	7,800	7,042
247,286	345,557	222,160	321,953

The investment income comprises the following:

Investment income attributable to shareholders
Investment income attributable to policyholders

2021	2020	2021	2020
46,998	32,930	34,764	23,031
200,288	312,627	187,396	298,922
247,286	345,557	222,160	321,953

39 NET REALISED GAINS/(LOSS) ON FINANCIAL ASSETS

Realised gain/(loss) on unquoted equity securities (Note 7.2.2)

Group 2021	Group 2020	Company 2021	Company 2020
-	1,332	-	1,332
-	1,332	-	1,332

40 NET FAIR VALUE GAIN/(LOSS) ON FINANCIAL ASSETS

Net fair value Gain/(loss) on financial assets at fair value through profit or loss

Group 2021	Group 2020	Company 2021	Company 2020
6,197	12,934	5,989	7,464

41 OTHER OPERATING INCOME

Profit/(loss) from sale of property, plant & equipment
Exchange gain (Note 41.1)
Bank interest
Provisions in previous years no longer required (41.1)
Income received from Nigeria liability pool
Sundry income (Note) 41.1

Group 2021	Group 2020	Company 2021	Company 2020
4,034	1,403	2,975	-
97,404	15,520	97,404	15,520
-	1,746	-	1,714
140,293	132,911	140,293	132,911
-	24,189	-	24,189
10,128	7,340	4,063	4,199
251,859	183,109	244,735	178,533

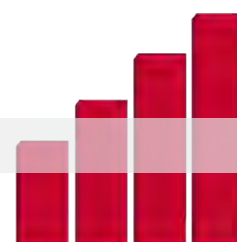
41.1 This includes exchange gain arising from foreign currency translations at year end while Sundry income are refund of excess stamp duties, training reimbursement, surplus shares declared by Nigeria Liability Pool and various other expenses initially provided in prior years but no longer required

42 IMPAIRMENT LOSS

Impairment on other trade receivables (Note 8.3)
Impairment loss -other receivables (11.1)
Impairment loss -reinsurance receivables (Note 9.4.3)
Impairment on Placement with financial institutions (Note 6©)

Group 2021	Group 2020	Company 2021	Company 2020
18,391	3,949	-	-
(9,114)	35,512	7,926	32,069
88,461	22,180	88,461	22,180
4,844	8,662	4,842	8,396
(8,662)	(3,186)	(8,396)	(3,037)
(357)	(300)	(357)	(280)
41	357	41	357
93,604	67,174	92,517	59,685

Impairment no longer required on placements (Note 6©)
Impairment no longer required on FGN Securities (Note 7.3)
Impairment on FGN Securities (Note 42)





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

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43 OTHER OPERATING EXPENSES

	Group 2021	Group 2020	Company 2021	Company 2020
Depreciation and amortization charges	212,762	157,310	159,256	108,286
Auditors remuneration	12,608	12,165	7,700	7,700
Non-audit service expenses	-	-	-	-
Directors expenses	58,855	46,997	41,756	37,510
Professional fees	122,480	50,641	113,696	44,322
Bank charges	14,841	9,757	11,705	8,100
Training expenses	47,700	17,348	26,124	15,533
Communication expenses	164,120	154,181	152,809	144,140
Marketing expenses	118,325	98,801	99,058	82,702
Statutory fees	79,229	29,959	51,752	29,959
Repairs and maintenance	91,053	66,895	66,140	46,717
Diesel and electricity	102,614	99,881	81,704	94,642
Rent and rates	60,827	168,300	56,101	164,960
Insurance expenses	9,895	15,246	8,685	8,293
Pension and gratuity	100,412	42,602	77,836	26,444
Printing and stationery	13,458	7,144	6,528	2,478
Travelling and accommodation	90,671	70,554	84,175	64,277
Rebranding expenses	-	-	-	-
Other administrative expenses	135,865	98,268	101,509	85,887
	1,435,715	1,146,048	1,146,534	971,949

44 FINANCE COSTS

	Group 2021	Group 2020	Company 2021	Company 2020
Loan interest (Note 21.1)	-	-	-	-
Exchange loss arising from Daewoo loan (Note 21.1)	-	21,673	-	21,673
Restructuring fee	-	-	-	-
	-	21,673	-	21,673

45 PROFIT OR LOSS

The Profit or Loss is stated after charging/(crediting):

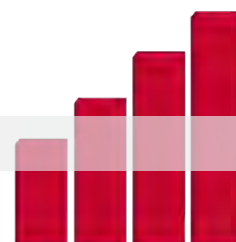
Depreciation	212,762	98,478	159,256	59,220
Audit fees	12,608	12,165	7,700	7,700
Net foreign exchange gain	(97,404)	(15,520)	(97,404)	(15,520)
Staff costs	685,571	633,055	400,327	377,725

Messrs SIAO did not provide other services except audit services

46 PROFIT PER SHARE

Profit per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Group 2021	Group 2020	Company 2021	Company 2020
Profit attributable to the equity holders	233,550	221,119	126,775	181,180
Total number of ordinary shares of 50k each in issue	5,810,800	2,800,000	5,810,800	2,800,000
Weighted average number of ordinary shares in issue (thousands)	5,810,800	2,800,000	5,810,800	2,800,000
Basic profit per share (kobo)	4.0	7.9	2.2	6.5
Diluted profit per share (kobo)	4.0	7.9	2.2	6.5





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

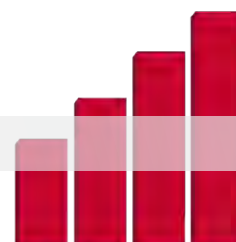
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



47 CASH GENERATED FROM OPERATIONS

This comprises:

	Group 2021	Group 2020	Company 2021	Company 2020
Profit/(loss) for the year	233,550	221,119	126,775	181,180
<i>Adjustment to reconcile profit before taxation to net cash flow from operations:</i>				
Depreciation charges	150,768	98,478	110,142	59,220
(Profit) on sale of property, plant and equipment	(4,034)	(1,403)	(2,975)	-
Dividend income	(30,487)	(19,077)	(26,964)	(15,989)
Rental income	(16,511)	(13,853)	(7,800)	(7,042)
Interest income received	(205,192)		(192,089)	
Interest charges and exchange difference on borrowings	-	21,673	-	21,673
Impairment of quoted equity securities	(5,989)	(12,934)	(5,989)	(7,464)
Impairment of financial assets at amortized cost	-	57	-	77
Gain on disposal of financial assets	375	(1,332)	375	(1,332)
Net fair value gain on investment properties	-	(7,550)	-	(6,000)
Amortization of intangible assets	61,995	58,832	49,114	49,066
Non-controlling interest	(13,942)	7,357	-	-
Operating profit before changes in working capital	170,533	351,367	50,589	273,389
<i>Changes in working capital:</i>				
Decrease/(increase) in trade receivables	(207,104)	(174,612)	12,219	(11,446)
(Increase)/Decrease in reinsurance receivables	(618,790)	168,032	(618,790)	168,032
(Increase)/decrease in other receivables	(78,238)	(58,784)	30,768	(64,157)
(Increase)/decrease in deferred acquisition costs	(67,576)	(38,916)	(67,576)	(38,916)
Decrease in statutory deposit	-	-	-	-
Increase/(decrease) in insurance contract liabilities	875,504	(298,474)	875,504	(298,474)
Decrease in trade payables	(1,103)	148,799	16,230	145,528
(Decrease)/Increase in other payables	105,114	(529,611)	(133,103)	(132,622)
(Decrease)/increase in income tax liabilities	54,150	2,558	49,564	7,595
Increase in deferred tax liabilities	28,752	27,240	(143)	-
Changes in working capital	90,709	(753,768)	164,673	(224,460)
Net cash from operating activities	261,242	(402,402)	215,262	48,929





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



48 SALARIES, BENEFITS AND DIRECTORS FEES AND REMUNERATION

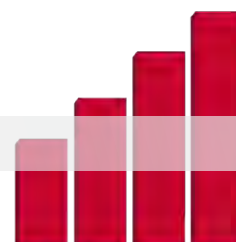
	Group 2021	Group 2020	Company 2021	Company 2020
Chairman's and other directors' emoluments				
48.1 The remuneration paid to directors are as follows:				
Executive compensation	55,672	51,936	29,351	29,351
Fees and sitting allowances	58,855	46,993	41,756	37,510
Total	114,527	98,929	71,107	66,861
48.2 Fees and other emoluments disclosed above include amounts paid to:				
Chairman	12,435	11,777	9,960	9,960
Highest paid director	42,632	22,585	16,310	16,310
48.3 The number of directors who had no emoluments is	NIL	NIL	NIL	NIL

49 EMPLOYEES BENEFITS

49.1 EMPLOYEES REMUNERATED AT HIGHER RATES

The number of employees in receipt of emoluments within the following ranges and the related staff costs are:

	Group 2021	Group 2020	Company 2021	Company 2020
N N	Number	Number	Number	Number
300,001 to 500,000	13	3	-	-
500,001 - 750,000	15	4	2	2
750,001 - 1,000,000	5	2	-	-
1,000,001 - 2,000,000	75	68	44	35
2,000,001 - 3,000,000	33	34	16	17
3,000,001 - 4,000,000	20	12	13	7
4,000,001 - 5,000,000	10	10	6	4
5,000,001 and above	27	26	18	18
	198	159	99	83
49.2 Staff costs	Group 2021	Group 2020	Company 2021	Company 2020
Managerial	48	62	30	27
Senior	143	91	66	54
Junior	7	6	3	2
	198	159	99	83
Staff costs	685,571	633,055	400,327	377,725





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



49.3 EMPLOYEES' RETIREMENT BENEFITS

The company and its subsidiaries operate a contributory retirement benefit scheme. For Companies resident in Nigeria the Contributions to the scheme are funded through payroll deductions at the rate of 8% monthly for employees and 10% employer's contribution in compliance with the provisions of the Pension Reform Act, 2014.

50 GUARANTEES AND OTHER FINANCIAL COMMITMENTS

1. The company did not charge any of its assets to secure the liability of any third party.
2. There were no commitments to capital expenditure at the year-end both in respect of either contracted or authorized but not contracted.

51 CONTRAVENTION OF LAWS AND REGULATIONS

The Company did not contravene any law and regulation during the year

52 EVENTS AFTER REPORTING PERIOD

There were no events after the reporting period which could have a material effect on the financial position of the Company as at 31 December 2021 and profit attributable to equity holders.

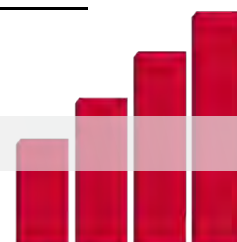
53 CONTINGENT LIABILITIES

There is no contingent liabilities against the company as at December 31st, 2021

54 HYPOTHECATION

The Group is exposed to a range of financial risks through its financial assets, financial liabilities, reinsurance assets and insurance liabilities. In particular, the key financial risk is that in the long term its investment proceeds will not be sufficient to fund the obligations arising from its insurance contracts. In response to the risk, the Group's assets and liabilities are allocated as follows:

Group - 31 December 2021	Insurance funds	Shareholders' funds	Total
Assets			
Cash and Cash equivalents	2,918,449	190,410	3,108,859
Financial assets	-	308,991	308,991
Trade receivables	-	530,496	530,496
Re-insurance receivables	1,623,175	106,909	1,730,084
Deferred acquisition costs		224,803	224,803
Other receivables and prepayments		698,421	698,421
Investment property	403,491	-	403,491
Intangible assets		654,740	654,740
Property, plant and Equipment		3,930,933	3,930,933
Statutory deposit		315,000	315,000
Total Assets	4,945,115	6,960,703	11,905,817
Liabilities			
Insurance contract liabilities	3,460,109		3,460,109
Trade payables		163,682	163,682
Provision and other payables		723,559	723,559
Income tax liabilities		110,054	110,054
Deferred tax liabilities		119,790	119,790
Shareholders' fund		7,328,623	7,328,623
Total Liabilities	3,460,109	8,445,708	11,905,817
SURPLUS	1,485,006	(1,485,005)	-



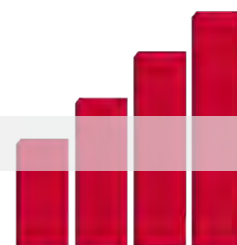


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



Group - 31 December 2020	Insurance funds	Shareholders' funds	Total
Assets			
Cash and Cash equivalents	3,369,342	-	3,369,342
Financial assets	194,220	2,694,422	2,888,642
Trade receivables	-	323,392	323,392
Re-insurance receivables	1,111,294	-	1,111,294
Deferred acquisition costs		157,227	157,227
Other receivables and prepayments		620,183	620,183
Investment property		397,901	397,901
Intangible assets		684,326	684,326
Property, plant and Equipment		860,824	860,824
Statutory deposit		315,000	315,000
Total Assets	4,674,856	6,053,275	10,728,131
Liabilities			
Insurance contract liabilities	2,584,605	-	2,584,605
Trade payables		164,785	164,785
Provision and other payables		618,445	618,445
Deposit for shares		3,010,800	3,010,800
Borrowings		-	-
Income tax liabilities		55,904	55,904
Deferred tax liabilities		91,038	91,038
Shareholders' fund		4,202,554	4,202,554
Total Liabilities	2,584,605	8,143,526	10,728,131
SURPLUS	2,090,251	(2,090,251)	-
Company - 31 December 2021	Insurance funds	Shareholders' funds	Total
Assets			
Cash and Cash equivalents	2,700,539	190,410	2,890,949
Financial assets		251,019	251,019
Trade receivables		5,205	5,205
Reinsurance receivables	1,623,175	106,909	1,730,084
Deferred acquisition costs		224,803	224,803
Other receivables and prepayments		443,500	443,500
Investment in subsidiaries		677,045	677,045
Investment properties	347,590	-	347,590
Intangible assets		617,005	617,005
Property, plant and Equipment		3,429,198	3,429,198
Statutory deposit		315,000	315,000
Total Assets	4,671,304	6,260,094	10,931,398
Liabilities			
Insurance contract liabilities	3,460,109	-	3,460,109
Trade payables		163,682	163,682
Provision and other payables		460,352	460,352
Borrowings		-	-
Deposit for shares		-	-
Income tax liabilities		76,078	76,078
Deferred tax liabilities		48,851	48,851
Shareholders' fund		6,722,327	6,722,327
Total Liabilities	3,460,109	7,471,290	10,931,399
SURPLUS	1,211,195	(1,211,196)	-



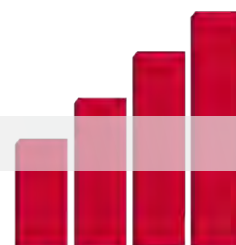


SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (IN THOUSAND OF NIGERIAN NAIRA)



Company - 31 December 2020	Insurance funds	Shareholders' funds	Total
Assets			
Cash and Cash equivalents	3,121,509	-	3,121,509
Financial assets	194,220	2,644,333	2,838,553
Trade receivables	-	17,424	17,424
Reinsurance receivables	1,111,294	-	1,111,294
Deferred acquisition costs		157,227	157,227
Other receivables and prepayments		474,268	474,268
Investment in subsidiaries		669,085	669,085
Investment properties		342,000	342,000
Intangible assets		663,244	663,244
Property, plant and Equipment		362,811	362,811
Statutory deposit		315,000	315,000
Total Assets	4,427,023	5,645,392	10,072,415
Liabilities			
Insurance contract liabilities	2,584,605	-	2,584,605
Trade payables		147,452	147,452
Provision and other payables		593,455	593,455
Borrowings		-	-
Deposit for shares		3,010,800	3,010,800
Income tax liabilities		26,514	26,514
Deferred tax liabilities		48,994	48,994
Shareholders' fund		3,660,595	3,660,595
Total Liabilities	2,584,605	7,487,810	10,072,415
SURPLUS	1,842,418	(1,842,418)	0





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

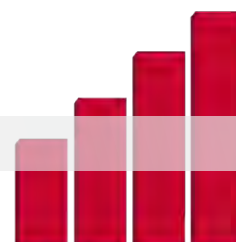
FINANCIAL STATEMENTS, 31 DECEMBER 2021



OTHER NATIONAL DISCLOSURE STATEMENT OF VALUE ADDED (GROUP)

Value added represents the additional wealth which the Group has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth between employees, shareholders, government and that retained for the future creation of more wealth.

	2021 N'000	%	2020 N'000	%
Gross premium earned	5,791,632		4,017,852	
Investment, commission and other income	735,273		701,294	
Re-insurance, claims, commission and services	(4,994,275)		(3,495,583)	
Value added	1,532,630	100	1,223,563	100
% Value added	26%		30%	
Applied as follows:				
<i>Payment to employees</i>				
Employee benefit expenses	685,571	45	633,055	52
<i>Payment to providers of capital</i>				
Interest and similar charges	-	-	21,673	2
<i>Payment to government</i>				
Taxation	254,612	17	75,473	6
<i>Retained for replacement of assets and expansion of business:</i>				
Depreciation of property, plant and equipment	150,768	10	98,478	8
Amortisation of intangible asset	61,995	4	58,832	5
Contingency reserve	146,134	10	98,114	8
Profit/(loss) for the year	233,550	15	237,938	19
	1,532,630	100	1,223,563	100





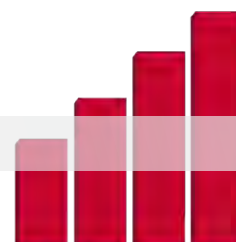
SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

STATEMENT OF VALUE ADDED (COMPANY)



Value added represents the additional wealth which the Company has been able to create by its own and its employees' efforts. This statement shows the allocation of that wealth between employees, shareholders, government and that retained for the future creation of more wealth.

	2021 N'000	%	2020 N'000	%
Gross premium earned	4,516,683		3,085,351	
Investment, commission and other income	701,100		647,602	
Re-insurance, claims, commission and services	(4,187,305)		(2,911,930)	
Value added	1,030,478	100	821,023	100
% Value added	23%		27%	
Applied as follows:				
<i>Payment to employees</i>				
Employee benefit expenses	400,327	39	377,725	46
<i>Payment to providers of capital</i>				
Interest and similar charges	-	-	21,673	3
<i>Payment to government</i>				
Taxation	197,986	19	34,045	4
<i>Retained for replacement of assets and expansion of business:</i>				
Depreciation of property, plant and equipment	110,142	11	59,220	7
Amortisation of intangible asset	49,114	5	49,066	6
Contingency reserve	146,134	14	98,114	12
Profit/(loss) for the year	126,775	12	181,180	22
	1,030,478	100	821,023	100





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

FIVE YEAR FINANCIAL SUMMARY - GROUP IN THOUSANDS OF NIGERIAN NAIRA

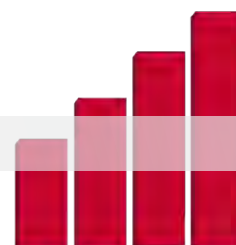


Statement of Financial Position

	2021	2020	2019	2018	2017
Assets					
Cash and cash equivalents	3,108,858	3,369,342	2,775,280	2,510,861	3,438,906
Financial assets	308,991	2,888,642	3,914,687	3,795,094	653,512
Trade receivables	530,496	323,392	148,780	119,681	158,643
Reinsurance receivables	1,730,084	1,111,294	1,279,326	2,464,673	1,491,852
Deferred acquisition cost	224,803	157,227	118,311	103,939	126,007
Prepayments and other receivables	698,421	620,183	561,399	868,813	445,143
Investment properties	403,491	397,901	390,351	374,924	361,656
Intangible assets	654,740	684,326	728,783	783,640	818,575
Property, plant and equipment	3,930,933	860,824	922,599	942,127	3,551,091
Statutory deposit	315,000	315,000	315,000	315,000	300,000
Total assets	11,905,817	10,728,131	11,154,516	12,278,752	11,345,385
Liabilities					
Insurance Contract Liabilities	3,460,109	2,584,605	2,883,079	3,929,261	3,377,937
Trade payables	163,682	164,785	15,986	69,386	32,716
Other payables	723,559	618,445	1,148,056	1,104,266	835,694
Deposit for shares	-	3,010,800	5,825	1,000	-
Borrowings	-	-	2,989,127	2,830,705	2,644,867
Income tax liabilities	110,054	55,904	53,346	43,667	116,176
Deferred tax	119,790	91,038	63,798	63,798	60,784
Total liabilities	4,577,194	6,525,577	7,159,217	8,042,083	7,068,174
Net Assets	7,328,623	4,202,555	3,995,299	4,236,669	4,277,211
Equity					
Paid up share capital	2,905,400	1,400,000	7,000,000	7,000,000	7,000,000
Share premium	2,453,326	1,023,465	1,023,465	1,023,465	1,023,465
Contingency reserves	1,258,875	1,112,741	1,014,627	947,402	872,330
Revaluation reserves	63,089	63,089	63,089	63,089	356,539
Available for sale reserve	(282)	22	22	1,270	370
Retained earnings	385,485	361,447	(5,348,715)	(5,028,696)	(5,198,989)
Foreign currency translation reserve	-	-	-	-	-
	7,065,893	3,960,764	3,752,488	4,006,530	4,053,715
Non controlling interest	262,730	241,791	242,811	230,139	223,496
Total equity	7,328,623	4,202,555	3,995,299	4,236,669	4,277,211

Statement of Profit or Loss and Other Comprehensive Income

	2021	2020	2019	2018	2017
Gross premium written	6,146,093	4,208,976	3,060,204	3,048,914	3,131,705
Net underwriting income	4,679,721	3,245,657	2,428,676	2,410,303	2,481,788
Total underwriting expenses	2,494,578	1,609,780	1,239,777	1,496,563	1,393,148
Total underwriting profit	2,185,143	1,635,877	1,188,899	913,740	1,088,640
Total investment and other income	517,909	545,484	809,803	1,131,271	889,986
Total income	2,703,052	2,181,361	1,998,702	2,045,011	1,978,626
Expenses	(2,214,891)	(1,867,950)	(2,186,707)	(2,043,358)	(1,936,239)
Profit/(loss) before tax	488,162	313,411	(188,005)	1,653	42,387
Tax	(254,612)	75,473	37,263	43,095	36,714
Profit/(loss) after tax	233,550	237,938	(225,268)	(41,442)	5,673
Other comprehensive income:					
Loss on available for sale financial assets	(304)	-	(1,248)	900	370
Exchange difference on translation of foreign operations	-	-	-	-	-
Revaluation gain on property, plant and equipment	-	-	-	-	200,049
Other comprehensive income for the year	(304)	-	(1,248)	900	200,419
Total comprehensive income for the year	233,246	237,938	(226,516)	(40,542)	206,092
Basic (loss)/earnings per share	4.0	7.9 -	8.69 -	0.34	0.02
Diluted (loss)/earnings per share	4.0	7.9 -	8.69 -	0.34	0.02





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

FIVE YEAR FINANCIAL SUMMARY - COMPANY IN THOUSANDS OF NIGERIAN NAIRA

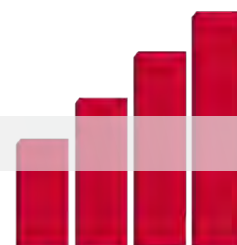


Statement of Financial Position

	2021	2020	2019	2018	2017
Assets					
Cash and cash equivalents	2,890,949	3,121,509	2,315,337	2,458,227	3,011,382
Financial assets	251,019	2,838,553	3,587,920	3,453,999	537,023
Trade receivables	5,205	17,424	5,978	3,529	13,535
Reinsurance receivables	1,730,084	1,111,294	1,279,326	2,464,673	1,491,852
Deferred acquisition cost	224,803	157,227	118,311	103,939	126,007
Prepayments and other receivables	443,500	474,268	410,111	710,283	352,511
Investment in subsidiaries	677,046	669,085	659,624	659,624	659,624
Investment properties	347,590	342,000	336,000	321,756	311,656
Intangible assets	617,005	663,244	712,310	761,959	805,642
Property, plant and equipment	3,429,198	362,811	407,618	390,215	3,075,245
Statutory deposit	315,000	315,000	315,000	315,000	300,000
Total assets	10,931,398	10,072,415	10,147,535	11,643,204	10,684,477
Liabilities					
Insurance Contract Liabilities	3,460,109	2,584,605	2,883,079	3,929,261	3,377,937
Trade payables	163,682	147,452	1,924	44,238	152
Other payables	460,352	593,455	726,077	1,003,597	732,258
Borrowings	-	-	2,989,127	2,830,705	2,644,867
Deposit for shares	-	3,010,800	-	-	-
Income tax liabilities	76,078	26,514	18,919	28,467	63,015
Deferred tax	48,851	48,994	48,994	48,994	48,994
Total liabilities	4,209,072	6,411,820	6,668,120	7,885,262	6,867,223
Net Assets	6,722,327	3,660,595	3,479,415	3,757,942	3,817,254
Equity					
Paid up share capital	2,905,400	1,400,000	7,000,000	7,000,000	7,000,000
Share premium	2,453,326	1,023,465	1,023,465	1,023,465	1,023,465
Contingency reserves	1,258,875	1,112,741	1,014,627	947,402	872,330
Revaluation reserves	63,089	63,089	63,089	63,089	356,539
Available for sale reserve	(282)	22	22	1,270	370
Retained earnings	41,919	61,279	(5,621,788)	(5,277,284)	(5,435,450)
Shareholders funds	6,722,327	3,660,595	3,479,415	3,757,942	3,817,254

Statement of Profit or Loss and Other Comprehensive Income

	2021	2020	2019	2018	2017
Gross premium written	4,871,144	3,270,464	2,240,854	2,502,382	2,672,770
Net underwriting income	3,404,772	2,313,156	1,609,326	1,863,771	2,022,853
Total underwriting expenses	1,924,370	1,158,691	827,819	1,211,923	1,171,943
Total underwriting profit	1,480,402	1,154,465	781,507	651,848	850,910
Total investment and other income	483,737	491,792	715,464	936,405	631,255
Total income	1,964,139	1,646,257	1,496,971	1,588,253	1,482,165
Expenses	(1,639,378)	(1,431,032)	(1,763,046)	(1,627,713)	(1,453,580)
Profit/(loss) before tax	324,761	215,225	(266,075)	(39,460)	28,585
Tax	(197,986)	(34,045)	(11,204)	(20,752)	(32,318)
Profit/(Loss) after tax	126,775	181,180	(277,279)	(60,212)	(3,733)
Other comprehensive income:					
Loss on available for sale financial assets	(304)	-	(1,248)	900	370
Revaluation gain on property, plant and equipment	-	-	-	-	200,049
Other comprehensive income for the year	126,471	-	(1,248)	900	200,419
Total comprehensive income for the year	126,471	181,180	(278,527)	(59,312)	196,686
Basic (profit) per share	2.18	6.47	(9.90)	(0.43)	(0.03)
Diluted (profit) per share	2.18	6.47	(9.90)	(0.43)	(0.03)





APPENDIX

TO THE FINANCIAL STATEMENTS





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

ELECTRONIC MANDATE FORM



Dear Sir/Madam,

To enable you receive your Annual Reports promptly, your company wishes to introduce electronic delivery of Annual Reports and Financial Statements, proxy forms and other statutory documents to shareholders. With this service, instead of receiving the hard copy of our Annual Report and other corporate documents in the future, you can elect to receive soft copy of the Annual Report, Proxy Form etc through the electronic link to be forwarded to your email address or opt to receive the soft copy (Compact Disc) by post.

Please complete the form below to capture your preference and return same to our Registrar's address stated below:

The Managing Director
Crescent Registrars Limited (Formerly EDC Registrars Limited).
23, Olusoji Idowu Street,
Ilupeju, Lagos.

Taiwo Olubunmi Kuku
Company Secretary

I, of
.....hereby agree to the electronic delivery of
the Annual Report, proxy form, prospectus, newsletter and statutory documents of SUNU Assurances
Nigeria Plc to me through:

PLEASE TICK ONE OPTION ONLY

☐ ELECTRONIC MEDIUM VIA COMPACT DISC (CD) SENT TO MY POSTAL ADDRESS

☐ I WILL DOWNLOAD FROM THE WEB ADDRESS FORWARDED TO MY EMAIL STATED
BELOW:

DESCRIPTION OF SERVICE

By selecting electronic means of delivery, you have agreed to receive future announcement/shareholder communication materials stated above by email/Compact Disc (CD). These materials can be made available to you electronically. The subscription enrollment will be effective for all your holdings in SUNU Assurances Nigeria Plc on an on-going basis unless you change or cancel your enrolment.

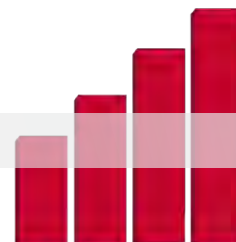
This initiative is in line with our determination to help protect and sustain our planet's environment and the consolidated SEC Rule 128(6) of September 2011 which states that "A Registrar of a public Company may dispatch Annual Reports and Notices of General Meetings by electronic means".

Name of Shareholder

*in case of corporate shareholder, use company seal

Signature and date

Telephone_____





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

PROXY FORM

35th Annual General Meeting of SUNU Assurances Nigeria Plc (the company) to hold by proxy at the company's head office at plot 1196, Bishop Oluwole Street, off Akin Adesola Street, Victoria Island, Lagos State on Friday 6th May, 2022 at 10:00 am prompt.

I/We.....being a member/members of SUNU Assurances Nigeria Plc (the Company) hereby appoint from the list of proxies;

- Mr. Kyari Abba Bukar (Chairman)
- Mr. Samuel Ogbodu (MD/CEO)
- Chief Mathew Akinlade
- Mr. Nonah Awoh
- Mrs Oludewa Edodo-Thorpe

...**
(Block Capital Please)

Or failing him/her, the Chairman of the Meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the company which will be held by proxy on Friday 6th day of May 2022 by 10:00 a.m. at plot 1196, Bishop Oluwole Street, off Akin Adesola Street, Victoria Island, Lagos State or at any adjournment thereof.

Dated this.....day of.....2022

Shareholder's Signature.....

NOTE:

- A member (shareholder) who is unable to attend the Annual General Meeting is allowed by law to vote by proxy and the above Proxy form has been prepared to enable the member to exercise his right to vote in case he/she cannot personally attend the meeting.
- Following the normal practice, the Chairman of the meeting and the listed proxies have been entered on the form to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the blank space (marked**) the name of any person, whether a member of the company or not, who will attend the meeting and vote on your behalf.
- Please sign and post the proxy form so as to reach the registered office of *Company's Registrars, Crescent REGISTRARS LIMITED, 23, Olusoji Idowu Street, Ilupeju, Lagos, Nigeria* not later than 48 hours before the time appointed for the meeting and ensure that the proxy form is dated, signed and stamped by the Commissioner for Stamp Duties.
- If executed by a corporate body, the Common Seal should be appended to the proxy form under the hand of the officers or Attorney duly authorized in that behalf.

	ORDINARY BUSINESS	For	Against
1.	"To present the consolidated Audited Financial Statements of the company and its subsidiaries for the year ended 31 st December, 2021 together with the reports of directors, external auditors and the audit committee thereon"		
2.	"To re-elect by way of separate resolutions the following directors retiring by rotation in accordance with Clause 92 of the company's MEMART: 1. Mr. Mohamed Bah 2. Mr. Karim-Franck Dione 3. Ms. Taizir Ajala		
3.	"To approve the appointment of the following Directors; 1. Mrs. Olajumoke Bakare 2. Mrs. Aisha Abubakar		
4.	"To approve the appointment of the firm of SIAO as the company's external auditors for 2022 financial year"		
5.	"To authorize Directors to fix the remuneration of the external auditors for 2022 financial year"		
6.	"To elect members of the Audit Committee"		
7.	"To disclose the remuneration of Managers of the company"		
	SPECIAL RESOLUTION		
8.	To approve the remuneration of directors of the Company for 2022 financial year.		
9.	To consider and if thought fit, pass the following as special resolutions: i. That following the recommendations of the Board of Directors in compliance with the requirements of Section 124 of the Companies and Allied Matters Act (CAMA) 2020 and regulation 13 of the Companies Regulations 2021, the company be and is hereby authorized to take all necessary steps to comply with this requirement as it relates to unissued share forming part of the Share capital including cancellation of the unissued Shares of the Company: ii. That the Company be and is hereby authorised to take all steps necessary to ensure that the Memorandum and Articles of Association of the Company are altered to comply with Resolution 9(i) above, including replacing the provision stating the authorised share capital with the issued share capital; iii. That the Company be and is hereby authorised to appoint such professional parties, consultants and advisers as may be required to comply with the resolution. iv. That the Board of Directors of the Company be and is hereby authorised to do all such things and take all such actions as are required to give effect to the above resolutions in compliance with extant laws and regulations.		

Before posting the above card, tear off this part and retain it.

ADMISSION CARD

SUNU ASSURANCES NIGERIA PLC Annual General Meeting

PLEASE ADMIT ONLY THE SHAREHOLDER NAMED ON THIS CARD OR HIS DULY APPOINTED PROXY TO THE 35TH ANNUAL GENERAL MEETING BEING HELD BY PROXY AT PLOT 1196, BISHOP OLUWOLE STREET, OFF AKIN ADESOLA STREET, VICTORIA ISLAND, LAGOS STATE ON FRIDAY 6TH MAY, 2022 AT 10.00 A.M.

NAME OF SHAREHOLDER/PROXY.....

SIGNATURE.....

ADDRESS.....

THIS CARD IS TO BE SIGNED AT THE VENUE IN THE PRESENCE OF THE REGISTRAR





MR. KYARI ABBA BUKAR
CHAIRMAN, BOARD OF DIRECTORS
(INDEPENDENT NON-EXECUTIVE)

Mr. Bukar served as Managing Director/CEO of Central Securities Clearing System, Plc. (CSCS), the central securities depository of Nigerian capital markets. During his five-year tenure, he spearheaded a company-wide program of culture change that resulted in a fourfold increase in profitability in the midst of the most recent global economic crises.

As Managing Director/CEO of ValuCard Nigeria Plc (now Unified Payments System), He spearheaded a complete reorganization of ValuCard, transforming the local e-payments loss-generator into one of the most secure, technologically advanced and profitable payments processors in the region. Mr. Bukar was instrumental in introducing Visa cards into the Nigerian e-payments space and writing the rules that have underpinned the phenomenal growth in the sector.

His fierce analytical skills and innovative thinking had won him praise and admiration since his early days as a member of the senior management team at the Hewlett-Packard Company. Since then he quickly rose to leadership positions in the United States and Nigeria, developing a special skill for spotting and developing opportunities that drive geometric growth.

He was also a former Chairman of the Nigerian Economic Summit Group (NESG) after being on the Board for about six years. He represented the Organized Private Sector in the Nigerian National Conference in 2014 where he served in the Committee in charge of Economy, Trade and Investment.

As a highly sought after business adviser, Mr. Bukar is on the board of Ventures Platform (Tech start-up Accelerator), Standard Chartered Bank Nigeria Limited, CRC Credit Bureau Ltd. and Cr Services Credit Bureau Plc.

Mr. Bukar holds a B.Sc. Degree in Physics from Ahmadu Bello University, Zaria, Nigeria and M.Sc. Degree in Nuclear Engineering from Oregon State University, USA. He is an alumnus of Lagos Business School (LBS), Wharton Business School and Harvard Business School, USA.



MR. SAMUEL OGHENEBRUME OGBODU
MANAGING DIRECTOR/CEO

Mr. Samuel Oghenebrume Ogbodu is a Chartered Insurer and a member of the Society of Fellows of the Chartered Insurance Institute of Nigeria. A highly seasoned professional with a track record of success for surpassing revenue, cost, profit and business growth objectives. He has extensive experience in management of Insurance Company.

He started his career at Nigerian Life and Pension Consultants and later joined Law Union and Rock Insurance Plc in 1987 as Senior Manager, Head of Special risk department.

He was part of the team that set up Sovereign Trust Plc's operation in 1994. He contributed immensely to the growth and development of the company and by dint of hard work, commitment and resilience, rose to the position of ED/COO.

Mr. Samuel Ogbodu had in the past chaired various management project committees like the product development committee, Head office building committee and Assets and liability Committee etc.

Mr. Ogbodu has special skills in Turnaround Management and projects with 100% success rate. He is an alumnus of Lagos State University, Lagos Business School, and University of Lagos, Akoka.

He is a member of the prestigious Ikoyi Club 1938, IBB Golf and Country Club, Abuja and institute of Directors (IOD). He is happily married and is blessed with children.

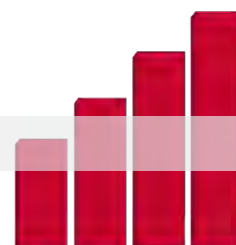


MR. KARIM-FRANCK DIONE
(NON EXECUTIVE DIRECTOR)

Mr. Karim-Franck Dione is a Business Professional with over 13 years work experience in Canada and France. He holds a B.Sc in Computer Science and Business Administration from Collège LAURENDEAU and HEC Montréal (Canada) respectively.

He had served as the Project Manager & Executive Assistant to the President with SUNU Gestion (France) and previously with the Canadian Imperial Bank of Commerce (Canada). He currently serves as Director, Management Accounting & Financial Management in SUNU Participations Holding (France) and is also a board member in Sunu Assurances Vie Niger and Sunu Assurances IARD Niger, SUNU Assurances Guinée, SUNU Assurances Vie Côte d'Ivoire, SUNU Assurances IARD Côte d'Ivoire, SUNU Assurances Ghana, SUNU Assurances Liberia, SUNU Assurances/Allianz IARD Burkina Faso, SUNU Santé, SUNU Health, SUNU Investment, TOTAL Sénégal,

Karim-Franck Dione was appointed as a non-Executive-Director of SUNU Assurances Nigeria Plc in 2019.





MR. MOHAMED BAH (NON-EXECUTIVE)

Mohamed Bah is currently the Managing Director, SUNU Services in Cote D'Ivoire and a director in 18 subsidiaries of the SUNU Group in Africa. With over 25 years of work experience. He had served as Managing Director and Deputy Managing Director of AXA VIE, Abidjan, Cote D'Ivoire.

He holds an MBA from HEC, Paris, a Master's Degree in Mathematics from Université d'Amiens in France and a Bachelor's Degree in Actuarial Science from Université Laval, Canada. He also studied Financial Planning and Portfolio Management at The Canadian Securities Institute. Mr. Bah was the Actuary in charge of the control of 8 AXA subsidiaries in Africa (AXA Zone Afrique). Prior to his experience in AXA, he worked as an Actuary in Union Africaine VIE, Abidjan, Cote D'Ivoire and was a Mathematics Teacher in Creil, Bresles, Chantilly, France. Mr. Bah was appointed as a Non-Executive Director of SUNU Assurances Nigeria Plc in 2016.



MR. PHILIPPE E. AYIVOR (NON-EXECUTIVE)

Philippe E. Ayivor is an experienced leader and strategist with over 33 years work experience in Africa and the USA. He holds a Master's Degree in Accountancy from Virginia Tech, USA and a B.A in Economics & Sociology from Duke University, USA.

Philippe held various senior managerial positions in the Coca-Cola Company (TCCC) in the US and Africa, and led TCCC business operations in the Great Lakes region and across nine countries in West Africa in establishing and successfully achieving sales volume, profit, product quality, people capability development and sustainable corporate citizenship objectives. He is currently providing strategic direction to the senior management teams of The Coca-Cola Bottling Company, Ghana; UT Group, Ghana; United Way, Ghana and various philanthropic organizations.

Prior to TCCC, he had worked in Anderson Consulting, Houston, Texas up to the level of Senior Consultant and was the President, American Chamber of Commerce, Ghana, from 2011 to 2015. Mr. Philippe E. Ayivor was appointed as a Non-Executive Director of SUNU Assurances Nigeria Plc in 2016.



MS. TAZIR AJALA (INDEPENDENT NON-EXECUTIVE)

TAZIR AJALA is a serial entrepreneur. A Certified Sustainability Practitioner, highly skilled in Sustainability Strategies, GRI G4 Reporting, Human Resource management, Needs Assessment, Investment and Risk Management, strategic planning and business process diagnostics.

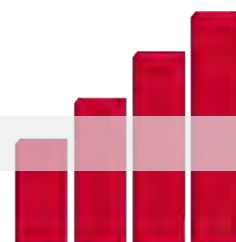
She maintains a high standard of professionalism and has been recognized for prudent management resources for over a decade. She is an incurable optimist despite challenges, she breaks through bureaucratic/economic barriers by proffering sustainable solutions to organizations and unemployment challenges in Nigeria by initiating Successful Youth Empowerment Programs in the last five years in Partnership with the U.S Government.

She is an alumnus of the prestigious IVLP in the United States of America, TIAS Business School in the Netherlands and Pan African University. She represented Nigeria as part of the global Change Makers group, a member of the CIPD (Chartered Institute of Personnel Development –UK) and ASTD (American Society for Training and Development – USA). She is also an alumnus of the TIAS Business School in the Netherlands. Taizir was lead Consultant to International Investors in various sectors from South Africa, France, Ghana and Germany.

She successfully developed partnership with a leading German institution that uses technology and psychology to deliver effective and impartial competence assessments for Africa. She seats on the selection board of the Goldman Sachs 10,000 women initiative, Abidjan Business School – Cote D'Ivoire, Metro Taxi, Afro Food & Spices Nigeria, Petro Carbon Energy and Agroatlantique. She is also a Senior Consultant to the European Union (EU) Abuja.

She has been a Speaker at several engagements – some of most recent engagements include:

- Women as Hidden Influencers, Let's make it happen for 2015 & Beyond – NLNG International Women's day celebration
- Demystifying Sustainability- Nigeria-USA-SME Financing Pre-Conference, Abuja
- Sustainability Investment- South West Investment and Trade Summits, 2015
- Executive round table on sustainability – INSEAD, PARIS 2016





SUNU ASSURANCES NIGERIA PLC AND ITS SUBSIDIARY COMPANIES

PROFILE OF DIRECTORS



MR. ADELEKE EMMANUEL HASSAN **EXECUTIVE DIRECTOR**

Mr. Adeleke Emmanuel Hassan is a consummate and seasoned Chartered Insurer with over twenty five (25) years cognate experience in the insurance industry spanning from broking to Underwriting businesses.

He started his career at Ark Insurance Brokers Limited and later joined Hogg Robinson Nigeria Limited in 1991 where he rose to become a Senior Manager/ Head, Energy Risk department. Mr. Hassan joined Equity Assurance Plc (Now SUNU Assurances Nigeria Plc) in 2003 where he rose to become the General Manager, Marketing and Business Development.

Mr. Hassan is an Alumnus of Ambrose Alli University and Lagos Business School. He has attended numerous seminars and courses locally and overseas in the course of his career.

He is married and blessed with Children.



MRS. AISHA ABUBAKAR **(INDEPENDENT NON-EXECUTIVE DIRECTOR)**

Aisha Abubakar had her secondary education at the prestigious Queens College, Yaba. She holds a B.A in Political and International Studies from University of Warwick, Warwickshire, England and Masters of Art Degree from University of Leeds, Leeds, England. She is a Fellow of International Professional Managers Association United Kingdom (UK) and the President of the International Experts Consultants UK. Aisha Abubakar had her National Youth Service Corps (NYSC) between 1992 and 1993 at Continental Merchant Bank as a Research and Planning Officer.

She joined African Development Bank in 1993 as Senior, Bilateral Operations officer and has served in various positions with different organizations ranging from Abuja Enterprise Agency where she rose to become the Managing Director/Chief Executive Officer (CEO) between October 2005 to August 2014, Director, Customs, Immigrations, Prisons, Pensions department and Pension Transitional Arrangement Directorate. She served as Honorable Minister in the Federal Ministry of Industry, Trade and Investment from November 2015 to October 2018 and the Federal Ministry of Women Affairs and Social Development from October 2018 to May 2019. Aisha Abubakar is a multi – talented and accomplished public sector administrator with over 3 decades of professional experience in Public Service and Pension Administration, International Development and Human Resource Management. She likes reading, Travelling and Community Engagement.

She is currently the Chief Operations Officer (COO)/ Founder of Tarihaan Integrated Services.



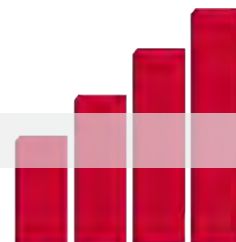
MRS. BAKARE OLAJUMOKE PATRICIA **(INDEPENDENT NON-EXECUTIVE DIRECTOR)**

Mrs Bakare Olajumoke Patricia had her secondary education at Federal Government College, Ilorin. She holds a degree in Law from the prestigious University of Ife, now Obafemi Awolowo University, Ile Ife and won several awards as a mark of distinction.

Mrs Bakare attended the Nigerian Law School, Victoria Island and also holds a Masters of Law from the University of Lagos, Akoka. She is a member of several professional bodies among which are: Institute of Directors, Nigerian Bar Association, Society for Corporate Governance, Chartered Institutes of Arbitrators.

She is also an Alumnus of the Lagos Business School. She started her career in 1984 with Nigerian Airforce Base, Ikeja as a National Youth Service Corp Member.

She worked with A. Adedeji & Co. law firm as a counsel from August 1985 – June 1989. She was a lecturer with the Council of Legal Education/Nigerian Law School from June 1989 – March 1992. She served First City Monument Bank (FCMB Group) in various capacities between 1992 – 2013 as Group General Counsel/Group Company Secretary, Non - Executive Director of CSL Registrars (Subsidiary of FCMB Group), Non - Executive Director of Credit Direct Limited. Mrs Bakare Olajumoke Patricia has over 35 years' combined experience in the fields of litigation and advocacy, legal research and academics, legal education, commercial law, company secretarial, compliance, corporate governance, loan recovery, strategic administration and financial legal advisory services. She also possesses negotiation and Arbitration Skills. She is currently the Managing Partner of First Almond Attorneys a position she assumed since 2014.



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WE TAKE THE RISK**



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012 80 2012



nigeria@sunu-group.com

SUNU Place Plot 1196, Bishop Oluwole Street, Off Akin Adesola Road, Victoria Island, Lagos

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